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THE IDEAL ANTI-REBATE millennium might be ushered in if only all the life insurance companies would organize an association, à la National Association of Life Underwriters, and proceed to hold a "convention" and adopt not only a "memorial" to the agents, but enter into a compact—without a string to it—to ruthlessly slaughter all rebaters. The memorial of the agents, addressed to the companies, and championed by the principal managing agents of the country, including representatives of the three giants, and "amened" by the whole rank and file, unequivocally committed every member of the National Association to join the anti rebate army—provided the companies would furnish the commanding generals. Now, if the companies will as unanimously respond in the same strain, the few guerillas left outside the ranks will take to the woods, there will be no enemy to fight and the millennium will be with us.

THE CITY OFFICIALS of Stratford, Ontario, have taken a somewhat novel method of inspiring the Canadian Fire Underwriters' Association with confidence in the efficiency and good management of the fire department of that place. After a fire in Stratford in September, some adverse criticism of the water pressure and fire brigade equipment was made, and subsequently inquiry was sent by prominent business men of the place to the secretary of the Association, asking what was needed to raise the classification there. They were informed that Mr. Forsythe, the inspector of the Association, would soon visit Stratford to examine into its fire extinguishing facilities, and report. In due time the inspector quietly appeared on the scene, and in the course of his inspection quietly turned in an alarm to test the promptness with which the fire brigade would respond.

This greatly offended the potentates of the city, and they had Mr. Forsythe cited before the police magistrate for giving a false alarm. How much this species of tactics is likely to increase the good opinion of underwriters with reference to the efficiency of Stratford's fire-fighting appliances we leave to conjecture.

MONEY IS NOT the only capital in the world. Brain is capital, so is muscle. In a strict sense, whatever is income-producing is capital. The man who owns a hundred thousand dollars in cash may by its judicious use make it yield a handsome income; so may the man of fertile brain or skilled muscle so employ his capital as to produce, if not a large at least a comfortable income. The cash capital may, however, go on producing income after the owner is dead, while all income of brain or muscle necessarily ceases with life's end. What, if anything, can take its place when that end is reached? Suppose a man whose brain is his only capital earns \$2,000 a year, thereby assuring comfort to his family while he lives, how except by life insurance can he perpetuate that income after death? A \$40,000 policy will exactly do it, assuming its proceeds to be invested to yield five per cent. Even half that amount may go a long way to keep want from the door of dependent ones. It is a most potent fact underlying the foundation of the home, that life insurance becomes income-producing capital at once when that other capital, contingent upon continued life, fails.

THE TRIAL OF THE conspirators in one of the graveyard insurance cases, involving the two Weltons, Dr. Randall, and Gideon Reid, which has been for some days in progress at St. John, N.B., has ended in the conviction of Cephias Welton and Dr. Randall, the jury having disagreed in the case of Rev. Sydney Welton, who is held on other charges, however. Reid turned Queen's evidence, and will probably escape with a light punishment. This trial was on only one of three indictments, and trial on the remaining ones is soon to take place, and undoubtedly will result disastrously to all the accused. The principal companies swindled are the Union Mutual Life of Maine, the Mutual Reserve Fund of New York, and the Total

Abstinence Association of Chicago. Reid, the man insured, was dying of consumption when insured through the Weltons, and Dr. Randall certified to him as in perfect health. Mrs. Reid had no knowledge of the insurance until after her husband's death, and swore on the trial that her signature to the receipts, endorsement of draft, etc., was forged. She was given \$1,000 on a \$3,000 policy as the entire proceeds of the insurance. A more aggravated case of fraud and conspiracy it would be hard to find than has already been developed, with more to follow.

NOT LONG SINCE, in referring to the record of the Mutual Reserve Fund Life as a resister of claims, we took occasion to show that the association in 1891, as stated in the official report, resisted claims amounting to \$81,100. As the total claims paid were \$2,290,108, it will be seen that those resisted amounted to \$3.54 on each \$100 paid. Besides this, nearly \$280,000 were reported as "in process of adjustment." The amount of claims paid in 1891 by all the level premium companies reporting to the New York insurance department was \$62,731,497, and the total claims resisted \$289,558, or 46 cents on each \$100 of claims paid, against \$3.54 by the Mutual Reserve. In connection with this significant fact we quote the following from the *United States Review*, replying to an attempted defence by the organ of the Mutual Reserve, the *Insurance Economist*, of the contest of the Guyol claim at New Orleans. The *Review* says: "The latter class of organizations (level premium companies) do not unearth the bodies of their members surreptitiously in the hope of finding some fact which may be serviceable to aid in contesting the payment of a claim which other offices paid without a question."

PERHAPS IT IS a healthy sign that of late several leading underwriters over the border and some insurance journals have entered their protest against the ease with which weak fire insurance companies on the verge of failure have been able to reinsure in strong companies. The difficulty experienced by the Ohio Farmers of Le Roy, with its \$288,000,000 of risks, and reduced to a skeleton surplus of \$69,000, in getting taken in out of the cold by reinsurance, emphasizes the growing reluctance among the stronger companies to buying second class business at first class rates. This is about what has been done during the past year in not a few cases. Weak companies which have acquired a considerable business at cut rates, seeing failure before them, have reinsured in good companies at stiff rates, and the stockholders have been able to wind up affairs and get out without loss. In the case of such companies a severe letting alone might result in furnishing wholesome examples for the benefit of the insuring public and stockholders alike. There are occasionally small, sound companies, with a good class of risks, which for good reasons may desire to retire, and whose reinsurance may properly and profitably be undertaken by a first class company, but these are

exceptions. In many cases it would have been better if the reinsured had been left to "point a moral and adorn a tale."

AN IMPORTANT CASE, that of the Chicago Sugar Refinery company against the American Steam Boiler company, has recently been decided by the Illinois Court of Appeals. The plaintiff company held a blanket policy in the Steam Boiler company for \$250,000, insuring "against explosion and accident and loss or damage therefrom to the property," and stipulating that by the term "explosion," as used in the policy, was to be understood a "rupture of the shell or flues of the boiler or boilers caused by the action of steam." The policy stipulated that no liability was assumed for any explosion or loss caused by the burning of the premises, "or for any loss or damage by fire resulting from any cause whatever." A fire broke out in one of the kilns, which the superintendent undertook to put out with a Babcock extinguisher, in which endeavor, it was claimed, a cloud of starch dust was raised, which, coming in contact with the flames, exploded, causing the damage to the surrounding property. On trial in the United States Circuit Court at Chicago, Judge Gresham decided in favor of the plaintiff, awarding \$44,741 damages, as claimed. He appears to have mainly based his decision on the ground that as "none of the property was damaged by fire until after the explosion," the insurance company was liable under the general terms of the policy. The Court of Appeals reversed the decision, on the ground that the loss was properly a fire loss, and that no fire loss liability belonged to the policy of the Steam Boiler company.

IS THE LIFE POLICY TOO LIBERAL?

Whoever will take the trouble to compare the average life policy of to-day with that issued a few years ago will readily see the extent to which it has been liberalized. A gradual modification of the conditions applying to the contract has been taking place, representing changes from the half-tone liberalism of some of the companies to the radical changes of the New York Life's latest policy, about which extended discussion has been and is going on in the insurance journals. Very naturally, as on all other questions, conservative and radical opinions have been developed, one class of journals strongly condemning and another class as strongly approving of the radically liberal forms. Quite as naturally also a good deal of clap-trap has been indulged in by the companies posing as champions of the liberal policy in their current canvassing literature, and the extent to which conditions have been abolished has been a good deal magnified. While in some companies the body of the policy has been changed and simplified so as to largely justify the claim that it is simply "a promise to pay," the application form, which is distinctly a part of the contract, embodies conditions which make the completed contract a good deal less liberal than is either supposed or currently represented.

It is nevertheless true that some of the companies

now issue an exceedingly liberal policy, and the pertinent question is, can they safely do it? Can a company eliminate all conditions relating to occupation, residence, travel, suicide, and abrogate all its rights to contest the payment after one year has elapsed, no matter what facts are developed, provided the premium has been duly paid? Can a company afford to carry the risk at the regular premium on a man who joins the life-saving corps, or who works in a nitro-glycerine factory, or who goes into the army to fight Indians? Can it be sure that investigation and examination when the applicant is accepted or watchfulness during the succeeding one year will reveal in all cases the grounds for a legitimate voidance of the policy?

Of course it is answered that, practically, the risk involved in the above cases is so small as not to perceptibly influence general results pertaining to a large number of risks, and that the influence of the ultra-liberal contract in attracting new business and in removing prejudices against life insurance generally fully offsets the disadvantages belonging to the few exceptional cases. To this it may be replied, that assumption is not demonstration, and that the risk attending the liberal policy may prove to be much more than exceptional, and thus seriously affect general results. Besides, life insurance calculations are based not only on a careful selection of lives in the first place, but has recorded its past experience upon lines involving certain prohibitions designed to guard against the introduction of new hazards on the selected lives. The liberal policy advocate responds, that this is an era of progress, that some of the assumed facts which have been bequeathed to us from the past in life insurance, as in many other things, are actuarial traditions, and that the loading of the present average premium is heavy enough anyhow to render safe the assumption of risks on the new basis, even if the adverse criticism proves to be well founded.

Our own view of the whole question is that a genuine and much needed improvement in the conditions of the modern life policy has taken place, and that a majority of the companies issue a pretty good form of contract, fair to the assured and safe to the assuring company. We are also quite as clearly of the opinion that in some cases true liberality has degenerated into rashness, and that safeguards have been removed from the policy contract which ought to exist. Consequences pertaining to life insurance project themselves into the far distant future, and the business cannot be conducted on the lines of common commercial barter, where a chromo may be safely "thrown in" to induce trade. On the other hand, there are some companies which cling tenaciously to the old traditions, persist in retaining unjust and iron-clad conditions and insist on their jug-handle contracts. These companies are deservedly taking their places in the rear of the column, however. Between old fogysm and a rash liberalism lies the true life insurance road, paved with safety and hedged with prosperity. It is a good road to travel in.

THE CONFLAGRATION HAZARD.

The occurrence of two great conflagrations within a few months of each other like those at St. John's, Newfoundland, and Milwaukee, together involving a property loss of nearly nineteen millions of dollars and an insurance loss of nearly seven millions, constitutes an object lesson of prime importance. The same lesson has been taught before, even more impressively, at intervals, as Chicago, Boston and St. John, N B., witness. The burden of the lesson is, that the unknown and unknowable quantity in the fire insurance problem is augmented by unlooked for conflagrations to such an extent as to seriously upset the calculations of the believers in a "scientific" basis for underwriting. Leaving out of the account conflagrations entirely, and general confusion of calculations has been produced by the provoking perversity of the fire fiend in refusing to allow anything like uniformity in the proportion of fire loss to property value from year to year. Add to this uncertainty the conflagration hazard, and we have a situation defying accuracy of calculation and furnishing at best a capital chance for skillful guessing. A rate which may be abundantly high on the general business one year may prove to be ruinously low the next year, and so the loss ratio goes see-sawing through the years.

Barring any great conflagration, however, and experience for a series of years over a wide field has taught observant underwriters that about such and such a loss average on reasonably well selected risks may be counted on, and by making a general rate to somewhat more than cover the probable average, and by good financiering in the management of capital, the best companies have accumulated a goodly reserve fund, and are therefore able to face the conflagration hazard with tolerable equanimity. That it exists, and will sooner or later develop into loss somewhere is a certainty, coupled with the uncertainty of the how much and the where. No more unlikely place for a conflagration could have been selected than Milwaukee, with its wide streets and substantial buildings in the business district, and equipped with an exceptionally good fire department. Yet a conjunction of causes, unforeseen, turned at least four millions of property into ashes in a few hours. Given, a fierce gale, a fire started in an establishment filled with oil and other inflammable material, half a dozen other fires at different and distant points breaking out simultaneously, and thus preventing all concentration of fire extinguishing service, and we have just the conditions for a successful conflagration in any city. Under like circumstances, New York or Toronto, Philadelphia or Montreal would have recorded like results. Nobody anticipated the possibility of the destructive fire in Boston in 1872; and even of St. John's few men have been found with the cheek to say "I told you so," in view of a water supply sufficient to flood a city of twice its size. A strong wind, a cluster of wooden houses in just the right place, an unfilled reservoir, and an amateur fire brigade without equipments for real service, conspired, however, to lay the city in ashes.

The conflagration hazard belongs to the fire insurance business and must be reckoned with, and a goodly surplus must be available to do it with, whether a five million or a fifty-million loss. And meanwhile wisdom suggests that rates be fixed with reference to that conflagration which is sure to take place this year or next, or the next, in New York or Montreal or Baltimore or somewhere, when and where least looked for.

INSURANCE DEPARTMENT TAXATION.

Some idea of the way that insurance companies are taxed by the "fostering care" of the State may be gained by a recent tabulation in the *Insurance Age*, wherein the receipts of the insurance departments of 15 States are given separately, together with the expenditures of the departments and the surplus remaining to be turned into the State treasuries. Following is a summary of the record for the years named:—

| States. | No. of years. | Receipts. | Expenditures. | Surplus. |
|-----------------|---------------|----------------|----------------|----------------|
| California..... | 11 | \$389,091 91 | \$170,070 37 | \$212,931 34 |
| Colorado..... | 5 | 257,307 04 | 160,857 46 | 109,411 58 |
| Connecticut .. | 21 | 827,508 77 | 320,637 58 | 506,871 19 |
| Delaware..... | 3 | 20,563 54 | 2,076 43 | 18,287 01 |
| Kansas..... | 12 | 469,927 55 | 63,323 82 | 406,603 73 |
| Kentucky..... | 12 | 216,418 56 | 144,579 19 | 65,732 24 |
| Maine..... | 8 | 164,551 75 | | |
| Massachusetts. | 12 | 483,079 30 | 253,065 81 | 290,022 32 |
| Michigan..... | 31 | 2,777,979 51 | 75,769 26 | 1,450,008 54 |
| Minnesota..... | 12 | 958,943 95 | 64,611 68 | 894,432 27 |
| Missouri..... | 12 | 246,526 63 | 196,921 10 | 50,940 50 |
| New York..... | 12 | 1,427,883 99 | 906,046 66 | 519,262 71 |
| North Dakota.. | 1 | 17,391 91 | | |
| Ohio..... | 24 | 189,222 25 | 53,404 86 | 494,323 30 |
| Pennsylvania.. | 12 | 347,889 17 | 133,511 49 | 205,847 78 |
| Rhode Island.. | 12 | 957,703 87 | | |
| Aggregates.... | | \$9,745,089 70 | \$2,547,875 71 | \$5,224,673 11 |

Here we have in an average period of about 13 years \$9,745,090 exacted from the insurance companies in fifteen States, though the expense requirement (allowing liberally for the three States where it is not here given) was less than \$3,000,000. If the exactions of all the other States could be added, together with municipal taxes of various kinds, the amount would, we think, be nearly or quite trebled. And yet people keep on harping about high insurance rates.

THE CONTRIBUTION PLAN AND THE DISTRIBUTION OF SURPLUS.

At the October meeting of the Actuarial Society of America in Boston, Mr. D. H. Wells, actuary of the Connecticut Mutual Life insurance company, read a lengthy paper on the "Application of the Contribution Plan to the Distribution of Surplus, with special reference to the best Method of Assessing Expenses and determining Premiums and Reserves." After a review of the various sources of expenditure the following summary statement is made: "It seems to me, therefore, that equity, which is the aim of the contribution method, is most nearly attained by an assessment upon the investment income to pay all investment expenses, upon premiums to cover such expenses as are determined by the premiums, and upon the death cost or what is technically called the cost of insurance to cover all other expenses." The paper then refers to cost of new business and proper reserves, a portion of which we quote as follows:—

The cost of procuring new business has been increased by excessive competition until it has become a very serious tax upon the companies. I do not attempt at this time to set a limit to the expense which may be legitimately incurred for the procuring of business. I have to do only with the proper assessment of such expense. Whatever may be the cost of bringing insurance to the attention of the public, or the value of the new insurance placed, its value is to those insuring or their beneficiaries not to those previously insured. It is true that some slight advantage may accrue to the existing membership from the broadening of the field for the operation of the law of average; and in theory, some slight decrease in the expense rate might be possible later from the increase in volume of business. But certainly any such incidental advantage to the existing membership is more than offset by the advantage to the incoming member. He cannot in fairness ask that the special expense involved in bringing the benefits of the company to him should be shared by the existing membership, on the plea that his incoming broadens the field, when the existing membership *constitute* the field to which he only adds his mite, when the benefits to him from the existence of such a membership are a hundred thousand times any benefit he can confer upon them. It is certainly sufficient that he be admitted to the common advantages of a more stable experience and a decreased expense ratio, if such result, without requiring that others be taxed to pay the cost of giving him these advantages. The assessing upon the old business of the expense of procuring new business cannot then be justified either upon the ground that the expense is due to, or is for the benefit of, the old business. It is a difficult matter to analyze the expenses of the company with which one is officially connected, and with whose operations one is personally familiar, and arrive at a fairly approximate estimate of the expense directly or indirectly due to the writing of new business. It becomes an impossibility in the case of other companies. Yet I think I am warranted in saying that the average expense cost of new business other than term business, as now written by our life companies, including, so far as chargeable to new business, commissions, salaries of managers, of agencies, superintendents and special agents, traveling expenses, salaries of medical directors, medical examinations, advertising, rents, salaries of officers and clerks, etc., is probably rather over than under \$30 per \$1,000 of new business on which a full year's premium is collected. Against this, the cost of caring for old business, exclusive of investment expenses, is probably considerably under \$3 per \$1,000, and the saving from the lighter mortality on the new business for the first three or four years after its issue does not exceed an average of about \$7 per \$1,000. Deducting the sum of these from the expense of new business, we still have a balance of at least \$20 per \$1,000, to be provided for before the new business would be entitled to share on the same basis as the old in the distribution of surplus. These figures are in the rough, but they will serve the purpose of illustration.

If, now, a company writes \$100,000,000 of continuing new business, on the average not less than \$2,000,000 is sunk, planted if you prefer, for the time being, in excess of all that will be recovered from a reduced mortality, and under the present method of valuation the surplus is decreased by at least that amount to the injury and loss of the existing business. This sum is only recovered through a decrease in future dividends on the business so written, through future expenditures for the procuring of other new business. The existing membership is continually taxed for the procuring of new business, and no corresponding tax laid upon such new business in the future can ever adjust the injustice done to the continually changing existing membership. Fur-

ther, the cost of new business is so large, that no matter what may be assumed to be its value to the company or the insured, a limit is put upon the amount a company can afford to write, varying with the size and surplus of the company.

The most satisfactory, and indeed the only satisfactory, way of dealing with the matter seems to me to be to make the initial expense (and all the expense) of the business an element of our computations. A necessary and reasonable expense in the securing of new business, as well as every other necessary expense, may as properly be taken into account in the computations of premiums, reserves, surrender values, surplus, etc., as may death claims, and should be so taken into account. It is time to do away with the idea that all expenses and contingencies are to be provided for by a more or less arbitrary loading or margin added to the computed premium, and, lest that should prove insufficient, by further holding an enormous undivided surplus; and to provide for them in a more rational manner by suitably modifying our fundamental assumptions and computations. A life insurance company has two sources of income, the premiums paid by its members, and the earnings of its investments. These must suffice to provide for the policy-claims and the expenses of the business; the latter as true, and as certainly as the former. If all investment expenses, and all taxes and losses on investments, are to be charged against the earnings on investments, as they should be, the rate of interest assumed in the computations should be such as the company, so far as human foresight can avail, will be certain to realize, net, over all such expenses, taxes, and losses.

Nor can I conceive of any good reason, if we choose to analyse a given policy into a pure endowment and a term insurance, why a lower rate of interest should be assumed in the computation of the premium for the pure endowment than in the computation of the term premium, although such a practice has been advocated by no less an authority than our ex-president, Mr. Sheppard Homans. Certainly a company is likely to net quite as high a rate of income from the pure endowment reserve, which remains intact in its custody for a term of years, as from the initial reserve on a term insurance, which is mostly or wholly used year by year in the payment of the death cost. If it were desirable to make any distinction (I do not think such a distinction of consequence), it would seem more reasonable to assume the lower rate for the term part of the premium.

As ample provision should be made for investment expenses in the assumption of the interest rate, and not by an arbitrary addition to the premium, so ample provision should be made for such of the ordinary and continued insurance expenses as are properly assessable upon the death cost by a loading of the death-rate or mortality table. For the ready and equitable distribution of the surplus, the mortality table should express the relative probabilities of death at different ages. It is not necessary that it should express the actual probability of death, but only that the actual probability should bear a fixed and known ratio to that given by the table. The table used should, then, represent a fixed per cent. of the probable mortality at each age, such per cent. being taken high enough to amply provide for all the ordinary expenses properly assessable under the death cost, as well as for the death cost itself. An addition of twenty-five per cent. to the probable mortality after the expiration of the first five years of insurance should be more than sufficient. To the premium computed on the basis of the assumed interest rate and the modified mortality table should be added, as a provision for the first cost of new business, an annuity, contemporaneous with the premium payments, the present value of which is equal to the necessary

first cost of such new business in excess of the subsequent annual expense and of the gain in the first two or three years from a favorable mortality. The sum so found should be increased by a small per cent. to provide for such continued expense as may be assessable against the premium.

In the computation of the premium we have provided in what seems to me a rational way, for (a) the first special expense of the business, (b) a percentage charge against the premium year by year to cover expenses so assessed, (c) a margin of income from investments to cover investment expenses, (d) a percentage of the death cost to cover other expenses, and (e) policy claims. If it is thought more equitable to assess general expenses upon the amount insured rather than upon the death cost, it is only necessary to add to the premium computed upon the unmodified mortality table and the assumed rate of interest, an annuity for the premium-paying term, the present value of which is equal to the present value of an annuity equal to the expense to be provided for and running through the term of the policy, instead of increasing the assumed mortality.

PRINCIPAL CONFLAGRATIONS IN THE UNITED STATES DURING EIGHT YEARS.

From the *Chronicle* of New York, we copy the following conflagration record, which will be found interesting:—

| | Property loss. |
|--|----------------|
| 1885 (November), Galveston, Texas | \$2,000,000 |
| 1886 (January), Detroit, seed warehouse..... | 1,000,000 |
| 1886 (March), Key West, Fla., general fire..... | 1,417,300 |
| 1887 (April), Lake Linden, Mich., general fire..... | 840,200 |
| 1888 (February), Buffalo, general fire..... | 1,100,000 |
| 1888 (September), Baltimore, general fire | 894,000 |
| 1889 (February), Buffalo, general fire..... | 1,097,000 |
| 1889 (April), New York city, general fire | 1,907,000 |
| 1889 (June), Seattle, Wash., general fire..... | 6,626,000 |
| 1889 (July), Ellensburg, Wash., general fire..... | 1,115,000 |
| 1889 (August), Spokane Falls, Wash., general fire.. | 4,800,000 |
| 1889 (November), Lynn, Mass., general fire..... | 4,973,446 |
| 1889 (November), Boston, general fire | 3,857,233 |
| 1890 (January), Baltimore, grain elevator and vessels. | 673,724 |
| 1891 (March), New York city, general fire..... | 1,556,948 |
| 1891 (July), Cincinnati, general fire..... | 1,335,000 |
| 1891 (November), St. Louis, general fire..... | 1,197,327 |
| 1892 (February), New Orleans, general fire..... | 1,075,000 |
| 1892 (February), Memphis, Tenn., general fire..... | 900,000 |
| 1892 (April), New Orleans, general fire..... | 2,000,000 |
| 1892 (June), Creede, Col., general fire..... | 675,000 |
| 1892 (July), Bay City, Mich., general fire..... | 640,000 |
| 1892 (October), Milwaukee, Wis., general fire..... | 4,200,000 |

THE REBATE QUESTION.

Various specific abuses in life insurance have for years been claiming the attention of insurance journalists and insurance agents. Since the formation of life insurance associations, these useful organizations have taken up the discussion. The question of rebate has been prominently before the life insurance public, and its evils have been dwelt upon and execrated. Remedies have been proposed in legislation, in voluntary action, in promises of honor, in every way except the right way. There is not a thoughtful man to-day, who is willing to be honest with himself, who does not know that the rebate evil has its root and sustenance in a soil deeper than the voluntary action of the agent, and too deep to be touched by any statute. Why have commissions been raised? Because the command to the agent has been "get business!" In order to get business the agent must pay for it. The agent who gets twenty-five per cent. of the first premium as his commission manifestly cannot make much deduction to the assured. But the agent who receives seventy-five per cent. commission has in his hands a potent inducement to a prospective insurant. It all depends on how much

he is really willing to accept as his actual compensation for the work done. The great companies have in their power to settle this rebate question in a twinkling, if they would only use it. And any effort without the action of these companies would be about as effective as trying to chain Niagara with a rope of straw, or to sweep back the Atlantic with an ordinary house broom.

It is high time to call a halt upon the nerve-straining processes which have been adopted and maintained by the great companies. Their managers are not charged with unworthy motives. Personal pride and ambition are natural to every healthy mind. But, reduced to a simple business proposition, it is insisted that the modern high pressure methods employed in life insurance will not be profitable as a future general policy for the companies. Anybody can step on the street and buy dollar bills with dollar bills, but he will not find enough profit in the transaction to pay him for his trouble. In the matter of expense, the great companies have already worked the field up to the point of extremely narrow margins. The great political economist, John Stuart Mill, was wont to compare the increasing power of a field to produce, under an increased amount of care and cultivation, to a rubber cord which shows constantly decreasing elasticity up to the stationary point. The great companies appear to have nearly if not quite reached this point in the endeavor to make their field produce more and still more.—*Insurance Age*

THE INSURANCE LOSS AT MILWAUKEE.

From various sources, but mainly from the *Chronicle* of New York, we have made up the probable loss list of the principal companies on the big Milwaukee fire of the 28th ult. Re-insurances will change the amounts given in some cases, and entire accuracy as to individual companies is impossible until after actual adjustment.

| COMPANIES. | Probable Loss. | COMPANIES. | Probable Loss. |
|------------------------|----------------|-------------------------|----------------|
| Aetna..... | \$15,000 | New York, Conn..... | \$32,000 |
| Agricultural..... | 15,000 | New Hampshire..... | 15,000 |
| Allemania..... | 20,000 | Niagara Fire..... | 14,000 |
| American, N.Y..... | 25,000 | *Northern..... | 12,000 |
| American, Pa..... | 38,000 | North British..... | 33,000 |
| *British America..... | 22,000 | Norwich Union..... | 34,000 |
| Citizens, Pa..... | 12,000 | *Oakland Home, Cal.. | 28,000 |
| Caledonian..... | 15,000 | Ohio Farmers..... | 40,000 |
| Commonwealth..... | 45,000 | Orient, Conn..... | 25,000 |
| Commercial Union... | 21,000 | Pennsylvania Fire.... | 20,000 |
| Connecticut..... | 25,000 | Phoenix, N.Y..... | 68,500 |
| Continental..... | 21,000 | Phoenix, Hartford.... | 42,500 |
| Delaware, Phila..... | 17,000 | Phoenix, London..... | 15,000 |
| Detroit F. & M..... | 9,750 | Queen of America.... | 20,000 |
| Eagle, N.Y..... | 25,000 | *Reliance, Pa..... | 28,000 |
| Fire Association, Pa.. | 40,000 | Rochester-German.... | 20,000 |
| Fireman's Fund, Cal.. | 10,000 | Royal..... | 65,000 |
| Firemen's, N.J..... | 25,000 | Rutgers, N.Y..... | 10,000 |
| German, Freeport, Ill. | 14,000 | Scottish Union..... | 18,000 |
| Guardian, Eng..... | 25,000 | Springfield F. & M., | |
| *German-American.... | 64,000 | Mass..... | 35,000 |
| *Germania, N.Y..... | 19,000 | St. Paul F. & M., Minn | 11,000 |
| Girard, Pa..... | 16,000 | Sun Ins. Office..... | 35,000 |
| Hartford..... | 47,000 | Traders, Chicago.... | 16,000 |
| Hamburg-Bremen.... | 27,000 | United Fireman's, Pa.. | 18,000 |
| *Home, N.Y..... | 70,000 | Union Assurance, Eng. | 2,500 |
| Imperial..... | 13,000 | United Fire (reinsured | |
| Ins. Co., North Amer.. | 40,000 | from Alliance, N.Y.).. | 10,000 |
| Individual Und., N.Y.. | 50,000 | Western, Toronto..... | 5,000 |
| *Lancashire..... | 91,500 | *Westchester, N.Y.... | 25,000 |
| Lion Fire..... | 20,000 | Williamsburg city, N.Y. | 12,500 |
| Liv., Lond. & Globe... | 35,000 | | |
| London Assurance... | 30,000 | MILWAUKEE COMPANIES. | |
| London & Lancashire.. | 50,000 | Concordia..... | 30,000 |
| Manchester..... | 30,000 | Milwaukee Mechanics.. | 60,000 |
| Merchants, N.Y..... | 13,500 | No. thwestern National. | 35,000 |
| Mechanics, Pa..... | 10,000 | All other companies.... | 282,500 |
| Merchants, R.I..... | 12,000 | | |

Total\$2,205,000

*Total insurance involved.

FIRE LOSSES IN CANADA, OCTOBER, 1892.

| DATE. | LOCATION. | RISK. | TOTAL LOSS. | INSURANCE LOSS. |
|--------|-------------------|----------------------|-------------|-----------------|
| Oct. 2 | St. Cuneconde.. | Rolling Mills..... | \$ 7,500 | \$ 7,500 |
| 2 | Port Arthur.... | Wharf..... | 1,200 | 1,200 |
| 3 | Toronto..... | Foundry..... | 3,500 | Nil. |
| 3 | Lambeth..... | Hotel..... | 2,500 | 1,000 |
| 4 | Tracadie..... | Monastery..... | 60,000 | Nil. |
| 4 | Belfast..... | Farm Barns..... | 1,500 | 1,000 |
| 4 | Whitevale..... | Do..... | 3,500 | 1,000 |
| 4 | Stoney Lake.... | Dwelling..... | 2,000 | 1,000 |
| 5 | Toronto..... | Stables..... | 2,000 | 1,500 |
| 7 | Lachute..... | Dwellings, etc..... | 3,000 | 1,700 |
| 7 | Charl'te b'g, Tp. | Store..... | 4,000 | 2,100 |
| 10 | Sheffield, Tw'p.. | Dwelling..... | 3,500 | 1,800 |
| 6 | Sandwich, Tw'p. | Farm Property.... | 3,000 | 1,800 |
| 7 | Mount Albert.. | Saw Mill..... | 4,000 | 2,000 |
| 8 | Montreal..... | Planing Mill..... | 3,000 | 3,000 |
| 10 | do..... | Brewery..... | 4,000 | 4,000 |
| 9 | St. Hilaire.... | Dwelling..... | 7,000 | 5,000 |
| 11 | Richmond..... | Pork Packing Fac. | 4,000 | 1,500 |
| 11 | Halifax, N.S.... | Stores..... | 25,000 | 14,000 |
| 13 | Quebec..... | Boarding House... | 2,000 | 1,400 |
| 13 | do..... | Steamer..... | 2,000 | 1,000 |
| 14 | St. Marys'g, N.B. | Hotel and Dwg's.. | 5,000 | 2,000 |
| 15 | Montreal..... | Produce Store.... | 3,800 | 3,800 |
| 10 | Sutton W., Ont. | Lumber..... | 3,200 | 3,200 |
| 17 | Sydney Tw'p.... | Farm Property.... | 2,000 | 1,100 |
| 17 | Welland..... | Dwelling..... | 2,000 | 1,600 |
| 17 | McGillivray, Tp. | Farm Property.... | 3,000 | 1,500 |
| 16 | St. Pie, P.Q.... | Do..... | 2,500 | 1,500 |
| 18 | Kirby..... | Do..... | 3,000 | 2,000 |
| 19 | Beeton..... | Hotels, stores, etc. | 60,000 | 23,000 |
| 20 | Near Welland.. | Barns and stables.. | 3,500 | 1,800 |
| 12 | Pilot Mound.... | Flour Mills..... | 15,000 | 1,000 |
| 20 | Tp. Normanby.. | Farm Property.... | 4,000 | 1,400 |
| 22 | Quebec..... | Y.M.C.A. building. | 9,000 | 7,500 |
| 23 | Ortage la Prairie | Paper Mill..... | 30,000 | 13,000 |
| 24 | St. Anne de B... | Conflagration.... | 35,000 | 17,500 |
| 24 | Maniwaki, P.Q.. | Hotel..... | 6,000 | 4,200 |
| 24 | Lansdowne Park | Dwelling..... | 2,000 | 1,200 |
| 25 | London..... | G.T.R. Shops..... | 10,000 | 10,000 |
| 26 | Essex..... | Stores..... | 5,000 | 3,000 |
| 26 | Mans'nville, P.Q. | School..... | 7,000 | 3,000 |
| 28 | Montreal..... | Paper Box Factory | 30,000 | 25,000 |
| 27 | Port Arthur.... | Carrage Factory.. | 2,500 | 1,600 |
| 28 | Port Arthur.... | Car House..... | 3,000 | 2,100 |
| 29 | Montreal..... | Warehouse..... | 2,500 | 2,500 |
| 31 | Cowansville.... | Store..... | 4,500 | 2,400 |
| 27 | Toronto..... | Drug Store..... | 2,500 | 1,500 |
| 27 | Winnipeg..... | Crockery Store.... | 1,200 | 1,200 |
| 31 | Port Arthur.... | Store..... | 5,000 | 2,100 |
| | | | \$417,900 | \$200,000 |

SUMMARY FOR TEN MONTHS.

| | | |
|------------------|-------------|-------------|
| For January..... | \$622,200 | \$ 462,700 |
| " February..... | 245,400 | 171,700 |
| " March..... | 702,100 | 439,900 |
| " April..... | 497,400 | 319,600 |
| " May..... | 507,400 | 290,500 |
| " June..... | 195,800 | 140,500 |
| " July..... | 290,800 | 210,900 |
| " August..... | 495,600 | 374,500 |
| " September..... | 574,200 | 353,500 |
| " October..... | 417,900 | 200,000 |
| Totals..... | \$4,458,500 | \$2,974,500 |

The great poet, John G. Whittier, whose death recently has been so widely chronicled and sincerely mourned, wrote of life insurance as follows in 1888, in answer to an invitation to be present at a banquet of the Boston Life Underwriters' Association:—

No one who has made himself acquainted with your stupendous work can fail to see in it a vast beneficence—a step towards the abolition of poverty, a check to the hazardous speculations prompted by the necessity of gain for the benefit of posterity, a grateful relief to homes saddened by worry and anxiety. It is more and better, than charity, for it involves no loss of self respect and independence on the part of those who are benefited by it.

Financial and Statistical.

At various times within the past year reference of a complimentary kind has been made by United States financiers to our Canadian banking system. More recently, at the meeting of the American Bankers' Association held at San Francisco in September, Mr. Harter, in an address before that body, said:—

Among bank notes in the world, those of Canada stand deservedly high; and because of the great flexibility in volume, Canadian bank circulation is a model, for it promptly enlarges and contracts in response to the demands of trade as much as 20 to 25 per cent., and of course to the enormous advantage of Canadian business interests.

According to statistics compiled by the registrar-general of Great Britain, and presented to Parliament, the financial condition in Ireland must be tolerably satisfactory. On June 30 last, the deposits and cash balances in the joint stock banks in that country were £34,565,000, against £29,339,000 on the same date in 1887, an increase of 17 per cent. The balances in post-office and trustee savings banks on June 30, 1892, amounted to £6,027,000, against £4,832,000 on the same date in 1887, while ten years ago this total was only £3,870,000. These figures show an increase entirely out of proportion to the increase in population.

The International Monetary Conference, which meets next week in Brussels, will be composed of representatives from eighteen separate governments. Of these, Great Britain, Germany, Denmark, Sweden, Norway and Portugal use the single gold standard. France, Italy, Spain, Belgium, Switzerland, Greece, Servia and Roumania comprise that is called the Latin Union working under bi-metallism, but with certain strictions regarding silver. Russia and Austria-Hungary have the single silver standard, though the latter has recently legislated in favor of a gold standard. The Netherlands in 1875 suspended silver coinage and authorized the unrestricted coinage of gold, but still uses silver mainly as the current medium.

The Manufactures Building on the World's Fair grounds at Chicago is a wonder of magnitude. In its construction 17,000,000 feet of lumber, or the product of 1,100 acres of average Michigan pine trees, was used. In the floor alone are 7,000,000 feet of lumber. The iron and steel used in the building would construct two Brooklyn bridges. The ancient Coliseum at Rome, it is said, would seat 80,000 persons, but the Chicago *Herald* says: "Four Coliseums could be put on the floor of Manufacturers' Hall. It is possible, but not desirable, to seat 300,000 persons in this building. In its roof are eleven acres of skylights and forty carloads of window glass. Including the galleries, the structure furnishes 44 acres of floor space." The building itself covers 25 acres of ground.

What with the beet sugar industry in various countries and with the supply of sugar from sugar cane in the old-fashioned way, the world is not likely to want for plenty of sweetening for a long time to come. And now, in view of this large supply, we learn that a company with ample means have bought a tract of swamp land in Florida along the St. John and Indian Rivers, 83 miles long and from 3 to 12 miles wide, and are at work draining it with a view to sugar cane cultivation. The soil is immensely rich, being three feet deep, and, if all

cultivated, could raise enough sugar to supply this entire continent. The company is a close corporation, has no stock for sale, and expects to spend about \$4,000,000 on the drainage work.

The Manitoba farmer did not reap his bonanza crop of last year in vain. The *Brandon Mail* tells us that the implement dealers in the Brandon district alone have sold this season no fewer than 400 carriages and buckboards—and carriages and buckboards are not necessaries in the cultivation of the farm, even in progressive Manitoba. Then 437 binders were sold direct to farmers during the season in Brandon alone—in a city, that is, which ten years ago was just beginning to dot the prairie with wooden houses. Of mowers, 188 were sold, and of plows 442, and so on through the list of rakes, harrows, drills, threshers, etc. Note too that the binder twine sold was no less than 300,000 pounds in weight. Brandon at least does not know what it is to stand still, and the development of the Souris coal district should make her future even more noteworthy than her past.—*Canadian Gazette*.

The United States census bulletin on the textile manufactures of the country, recently issued, makes the following comparative statement of values of the total product of the cotton, wool, and silk industries in the census years named below as follows:—

| | Cotton. | Wool. | Silk. |
|-----------|--------------|--------------|-------------|
| 1850..... | \$ 65,516,87 | \$44,235,637 | \$1,809,476 |
| 1860..... | 115,681,774 | 76,146,569 | 6,607,771 |
| 1870..... | 177,489,739 | 217,548,926 | 12,210,662 |
| 1880..... | 192,090,110 | 267,352,913 | 11,033,045 |
| 1890..... | 267,981,724 | 337,768,524 | 87,298,454 |

The value of the product of the combined textile industries in 1850 was \$111,546,810, and the total population of the country 23,100,000; in 1870 the population had increased to 38,500,000 while the product of the textile industries had increased to \$407,249,327; in 1890, with a population of 62,600,000, the textile product had grown to \$693,048,702. Thus, while from 1850 to 1890 the increase in population was about 170 per cent., the increase of the products above named was over 521 per cent.

INTERNATIONAL CLEARING HOUSES.

A recent issue of *Money* of London has a lengthy article from Mr. Henry Clews, the well known New York banker, on the probabilities of an international solution of the silver question, in the course of which he proposes the following as a method of adjusting international balances without the actual trans-shipment of so much gold:

The situation created by the position of silver very directly suggests the question whether something cannot be done for economizing the use of gold in international intercourse. The excessive use of that metal in the settlement of foreign balances is an anomalous waste of the utility of the most potent force of finance. It has no justification in necessity; it is a useless relic of a bygone age. The internal exchanges of the several nations are settled without the intervention of money, and why should the same kind of economy be impracticable in the adjustment of international balances? The nation that is debtor this month is creditor next, and we send millions of gold to England to pay our debts maturing in September, when the same cash may have to be reshipped in October to settle England's debts to the United States. As the whole commerce between the two nations is conducted by means of credits, why should it be difficult to adjust these oscillating balances of trade through the use of a suit-

able form of credit instrument? Gold settlement is so obviously needless, so costly, and so deranging to the world's money markets, that the only question to be seriously considered is, What form of instrument would be best adapted to supersede cash settlements? In other references to this matter I have suggested that the leading governments might issue a bond bearing a low rate of interest and possessing qualities specifically adapting it for international transfer. If it should be found impracticable to induce national governments to undertake such an arrangement, or if it were objected that political contingencies would make the value of a Government obligation fluctuating and uncertain, is there any valid obstacles to the issue of a suitable credit under other and entirely safe auspices? Every feasible financial centre of the world has its clearing-house, or national bank, or community of resourceful bankers, any of which contains the raw material from which this international currency might be formed. In some countries one of these forms of organization might be found most available, and in others another. In England, France, and Germany it would probably be found most feasible to invest the respective national banks with the needful powers of issue; while in the United States the New York Clearing House might be induced to perform the function under due authorization. The issuers should occupy a status that would enable them to command confidence under all possible contingencies, and should be required to deposit unquestionable guarantees against the issues. The notes should bear a low rate of interest and be payable on demand upon the makers. The issuer would receive cash for the notes, which would constitute an important banking resource, the use of which would enable the issuer to pay the interest carried on the notes. This interest-bearing quality would prevent the notes from being immediately sent home for redemption; and thus at all the centres of foreign finance there would always be an accumulation of this international currency issued in the various nations; and that fund would be available in lieu of so much gold for the settlement of interstate balances.

Correspondence.

We do not hold ourselves responsible for views expressed by Correspondents

LETTER FROM TORONTO.

Editor INSURANCE AND FINANCE CHRONICLE:—

In my last I mentioned that Mr Walter Sterling had joined the agency staff of the Canada Life. Almost immediately thereafter, it was announced in our daily papers that he had received the appointment as chief accountant in the City Treasury here. Doubtless, the work in his present position will be more congenial to him, although had he remained in the insurance business, to judge from the excellent start he made, his success was assured.

Mr. David Burke, manager of the New York Life, was in town last week, and besides looking remarkably well, he appears very happy over the outlook for business, also the splendid results procured in Canada, so far this year. This is one of the companies that is constantly making valuable additions to its agency staff, and it is evidently laying out the field with a view to securing a large business in the Dominion, next year.

Mr. Jeffers, of the Germania, was in town last week from London, in consultation with his partner here, Mr. Ronne, and it is not unlikely that the new year will see that company more aggressive than it has been in the past. The Germania has lately moved into a very nice suite of offices, level with the street, in the Canada Life building; and being in all respects a first class company, there is no reason why, with the proper encouragement to be given from the head office, a larger business should not be secured. Mr. Jeffers is so well and favorably

known, further reference to him is unnecessary, but his partner, Mr. Ronne, is a comparatively recent addition to insurance circles in this city. In his short residence with us he has made himself popular, and the more he is known the better he is liked.

I learn that the result of Mr. B. Hal Brown's trip to Winnipeg has been a stirring up of the London and Lancashire forces in that field, and will likely result in a large increase of business before the close of the year.

This month Toronto has been favored with a visit from Mr. Hero of the *Insurance Agent*, New Orleans, who has been making the acquaintance of the insurance fraternity here. This gentleman has been well received, and deservedly so, as he has all that courteous and genial bearing usually accompanying a Southern gentleman.

I learn from Mr. Frank Sanderson, M.A., mathematician, attached to the Canada Life agency here, that the next examinations of the British Institute of Actuaries will be held simultaneously in Toronto and Montreal. He further advised me that this concession was promptly and courteously granted by the Council on a requisition sent to that body, asking that for the convenience of a large number of those residing in this locality desiring to take part in the examinations, it would be more convenient and less expensive to have them held here.

The Confederation Life Co. have got into their new offices, as also their solicitors in the same building.

Doubtless you are aware that when the name of a life insurance company appears in the papers as a defendant in a suit, agents of competing companies unfairly use it in competition. Very often the company is forced into such litigation, and a knowledge of the case will usually show that the company had no other course but to defend the action that was taken against it. Two or three of such cases have lately occurred. You may remember that some months ago I referred to the case of *Potts v. Temperance and General Life Co.* The company was sued under a policy for \$5,000 on the life of the late Rev. T. W. Jeffrey. The deceased had two policies for like amounts in the company; one was in force at his death, and promptly paid; the other, on the natural premium plan was surrendered, and unfortunately the insured died shortly thereafter. The evidence showed that the company had behaved very liberally in giving him \$780 for a policy having no surrender value to it, and also that Manager Sutherland had not used any improper influence to induce the deceased to surrender the policy. The judge took the case from the jury, and decided in favor of the company, dismissing the action, but without costs.

The case of *Franks v. the Sun Life* is now before our courts, and a legal friend advises me, that it is a case wherein a note was given for the premium, and that the deceased absolutely refused to take the policy, but insured elsewhere and, further, that when the note matured he positively refused to pay it. Death took place some long time afterwards—'tis said this was two years ago—and action by parties interested has only just commenced. From what I can learn of the case, no just course is open to the company but to defend the action.

In the case of *McRoberts v. Merritt*, general agent of the Mutual Life, it appears the former was general agent for the company in London until a few months ago, and claims a certain amount of money under his contract for commission. Messrs. Merritt are men of excellent character in all matters pertaining to finances, and I never heard of their having any disputes with an agent before. I was somewhat surprised to hear that a verdict was given in favor of the plaintiff. Doubtless the case will be appealed, and, if so, will be followed with interest by many parties interested.

While extending sympathy to Mr. J. B. Reed of the Liverpool & London & Globe, for the loss of Mr. R. H. Butt, I congratulate Mr. Hart for having secured the valuable services of this gentleman to represent the Phoenix of Hartford. I think it is about 16 years since Mr. Butt started with the Liverpool & London & Globe in this city, during which time he has worked up

to the position of office manager, and is in every respect an excellent all around man.

I am pleased to record that all litigation over the Bowmanville Furniture Co. loss has been amicably settled. The matter was left in the hands of Mr. Lye, and he advised that the amount claimed by the mortgagee, the Canada Permanent Loan Co. of this city, be paid, and it is understood the companies interested will act on this suggestion. The other companies that had issued policies to the assignee have also compromised on a basis satisfactory to all parties.

For a city that for some time past has been comparatively free from fires, it endeavored to make a record for itself last Saturday evening, as within 24 hours eleven fires took place here, at least three of which are suspected of being incendiary. Only one fire of this large number was of any magnitude and that was on the Bell Novelty Company amounting to about \$7,000. On the whole, Toronto has been a fairly good field for the companies this year.

In connection with the Bell loss, I learn that my old friend Alex. Dixon, of the Norwich Union, was again in luck having, it is said, cancelled his company's policy on this risk three months ago.

Life men claim business is slow, fire men say premiums are hard to collect; but taking the agents as a lot, their appearances don't indicate they have much to complain about.

P. B. P.

TORONTO, Nov. 11th, 1892.

A DISCLAIMER.

MACBETH & MACPHERSON.
BARRISTERS, SOLICITORS ETC.
Talbot Macbeth, John Macpherson.

To the Publishers of the INSURANCE & FINANCE CHRONICLE.
Montreal.

GENTLEMEN:—

Mr. Philander Slaght has consulted us with reference to a paragraph appearing in the November issue of your periodical.

The paragraph complained of appears in the letter of "P.B.P." entitled "Letter from Toronto," at page 457, and states that Mr. Slaght was prosecuted for rebating, and after a week's postponement of the case, he made *l'ame* amende honorable to the satisfaction of the prosecutor, and the matter was allowed to drop. This statement is not correct, and Mr. Slaght naturally feels very much annoyed that it should so appear in the paper. The facts are these: A charge was brought against Mr. Slaght for rebating. He obtained a postponement from Saturday to the following Wednesday in order to secure counsel. The case was gone into on the Wednesday, and after hearing the evidence, the magistrate reserved his decision. In the meantime and before any decision was given, the prosecutor withdrew the charge and paid all the costs. This action on the part of the prosecutor was not taken at the instance of Mr. Slaght. It was done, Mr. Slaght presumes, because the prosecutor saw that the charge must fail, and by withdrawing it he simply anticipated the result of the decision which would otherwise have been given.

These are the facts, and Mr. Slaght, through us, requests that you will publish them and give this explanation as prominent a place in your periodical as you have given the libellous article complained of.

Yours truly,

MACBETH & MACPHERSON.

[Desiring to do justice to all concerned, we print the above explanation, assuming that Messrs. Macbeth & Macpherson have correctly stated the case as to the withdrawal of the complaint.—ED. I. & F. CHRONICLE.]

SPECIAL TORONTO LETTER.

Editor INSURANCE AND FINANCE CHRONICLE:—

Manager Hart of the Phoenix, of Hartford has, after careful consideration, appointed Mr. R. H. Butt to represent the

Phoenix for Toronto and vicinity. The agency has been vacant since the death of Mr. Herbert Maughan, and judging from the number of applications made for the position, it is evident that the representation of an insurance company is considered a desirable thing to have. Mr. Butt has had sixteen years experience in the fire insurance business, having entered the office of Mr. Jos. B. Reed, when he represented the Stadacona Fire for Toronto, and accompanied that gentleman when he accepted his present agency of the Liverpool and London and Globe. Mr. Butt's record for industry, fidelity, and general insurance ability is first class, and his many friends confidently expect he will make a good showing for the Phoenix and justify their good wishes for his success and that of the agency now entrusted to his care.

Mr. A. W. Dodd has issued a circular informing insurance companies that he will open on November 10th an office in Toronto for the adjustment of fire losses. He invites them to entrust him with their fire claims, large and small, to adjust, promising to bring to their service his long experience as an adjuster in the Canadian field. For the last nine years Mr. Dodd has been connected with the head office of the Western Fire, and refers to that company. Fire loss expenses are a heavy item of expenditure for all companies these times, and any methods that can be devised, whereby these may be lessened, without detriment to the interests of companies in any respect, would be worthy the attention of managers. I understand that Mr. Dodd is forming a bureau of adjustment, efficiently equipped, for the prompt handling of losses entrusted to him.

The worthy chief inspector of the C. F. U. A., Mr. Forsythe, has had a slight put upon him by the town of Stratford. Stratford is a "C" town, and desired to go up higher and rank as a "B" town. Of course this would necessitate a certain standard of efficiency to be reached in fire appliances. To ascertain if such a standard exists is one of the duties of the inspector of the association. Accordingly last month Mr. Forsythe proceeded to Stratford to investigate. It seems that on the occasion of a former visit, when he called out the fire brigade there, the men had received a hint from someone beforehand, that a test was likely to be made of their promptitude on being called out. That in consequence of this hint, the test then made had not been as valuable and reliable as it might have been. Also, subsequent to this prior visit a fire had occurred, of which complaint was made that both the water pressure and the fire brigade were not up to expectations. Bearing these things in mind, the inspector kept his own counsel and had nothing to do with the Town Council. Told in light narrative style, and meaning no disrespect to Mr. Forsythe, this is about the rest of the story: Desiring to rise early, Mr. Forsythe had a spoonful of Royal Baking Powder mixed in with his "nightcap" before turning in, on the night of his arrival in Stratford. At six a.m. next morning he was on the street, and rang a general alarm. Then there was "hurrying in hot haste" and the arrival at the point indicated of "the appliances," including the mayor and the chief of the fire brigade and the Stratford policemen and the early-bird citizens (scarce), and the folks who didn't go home till morning, and, last, the "water pressure" which got there to be sure, but was not quite up to the mark, as was feared. Well, there they all were, but where was the fire? Then they "knew by the smoke which so gracefully curled" that all the fire was in Forsythe's pipe, for there he was smiling, urbane—and suburban. Well, the "appliances, etc.," were not well pleased,—in fact, they were downright angry; so as Mr. Forsythe had them up so smartly, in the A.M.—they retaliated, by a summons for him to appear before the P.M., *i.e.*, the police magistrate, for having violated a by law and giving what the *Monetary Times* calls a "false alarm without cause."

Now, it was not nice of them to act so, was it? The early morning air was sharp likely; there was no hot coffee for them, and it is just possible that Mr. Forsythe seeing they were so numerous, and having moreover the fear of McLean, the secretary, before his mind's eye, hesitated to ask them in to his cara-

vansery to have something. However, this may have been, I still hold it was not nice of them to do as they did, seeing that if they were up to the mark the town did well to know it, and if not, the citizens on learning the facts would see to it and give them a first class equipment. One of the inconveniences in regard to the water pressure at Stratford is that the water works are in the hands of a private corporation and not controlled by the town. They are under contract to supply water for the G.T.R., and it seems that when the railway company starts to fill its tanks up, the water pressure drops to nearly zero, consequently, if a fire broke out on any one of these frequent occasions, the required pressure is not to be had for its extinguishment for some valuable minutes. I have since learned that under pressure (not water pressure, they have none of that to spare) of a few level-headed influential citizens the charge so hastily made against Mr. Forsythe has wisely been withdrawn. It has been well suggested that hereafter the inspector of the C. F. U. A. carry a certificate showing his official standing, and that municipalities rated by the association agree that he may at any time make test of their appliances without any previous notice whatever.

Mr. Forsythe desired as regards Stratford to letter "C," the measure of the efficiency of her fire brigade; it is now hoped, that as the hatchet has been buried, the C. F. U. A. will letter "B." (CURIOUS SPORTING NOTE.—The charge having been withdrawn, the inspector immediately went off, and made a report to the C. F. U. A.!) It being Thanksgiving season, I trust you have been truly thankful for the blessing of having two Toronto correspondents.

Faithfully yours,
ARIEL.

TORONTO, Nov. 11th, 1892.

Notes and Items.

The United Fire insurance company has paid an interim dividend for the six months ended June last at the rate of 5 per cent. per annum.

The Columbian Life Insurance Company of Providence, Rhode Island, is now ready for business. It has a capital of \$100,000.

The London Guarantee and Accident company, having made the required \$200,000 deposit in the State of New York, is now enabled to enter several other States for business.

The London and Lancashire Fire has just paid a semi-annual dividend of three shillings per share, making for the year ten shillings per share or 20 per cent. in all.

The life insurance companies of the United States, from the date of organization to September 30th last, have paid for death claims \$669,487,280, and for endowments \$129,129,238, making an aggregate of \$798,616,518 according to the *Weekly Underwriters'* tables.

It is now proposed by the Minister of Public Instruction in Hungary to introduce into the State professional schools a special course for the training of the pupils in the best methods of fire extinguishment and the various causes of fires.

The fire loss ratio in Canada (losses paid to premiums received) for the seven years from 1885 to 1891, inclusive, was 59.19, against 63.22 for the seven years from 1878 to 1884, inclusive, an improvement of 4 per cent. In the seven years from 1871 to 1877, inclusive, the ratio was 89.28, but this period includes the great St. John, N.B., fire.

A rent guarantee company is now announced from New York, which proposes to start with a capital of \$250,000 and work on a broad basis.

The fire at St. Johnsbury, Vt., which occurred on the 30th ult., was a pretty serious one for a town of that size, amounting to about \$160,000. The insurance was pretty well distributed among 28 companies, and aggregated \$90,000.

The assessment endowment order of Lawrence, Mass., known as the People's Five-Year Benefit Order, regarded as the leading light of these concerns in Massachusetts, has been served with an injunction, and its books and accounts placed in the hands of a custodian. Next.

The Boston Board of Fire Underwriters have unanimously adopted the 80 per cent. co-insurance clause, with some allowance to be made for 90 per cent. and full co-insurance. Eighty-five per cent. of the insurance capital represented has signed the agreement, and it goes into effect at once.

The Pacific Insurance Union has amended its constitution so as to prohibit long credits hereafter, and has adopted rules enforcing collection of premiums within 30 days from the first of the month following that in which the policy is issued, under penalty of \$25 fine against the delinquent agent.

The town of Seattle, Washington, threatens to organize a local mutual insurance company if the Pacific Insurance Union doesn't reduce rates. By all means, then when a six million dollar fire, like the little blaze of June, 1889, strikes the town the companies won't be "in it" though the other fellows will.

Insurance Commissioner Merrill of Massachusetts now has hung up in his office a list of 36 assessment endowment concerns of that State which have collapsed during the past few months. The balance of them will no doubt be added to the list within six months.

Among the recent callers on the CHRONICLE were Messrs. James Clunes, London, Eng.; P. H. Sims, Toronto; J. C. Norworthy, Ingersoll; A. J. Kelton, London, Eng.; Duncan Monroe, Cornwall; James Boomer, Toronto; and E. K. Spinney, Yarmouth, N.S.

We are under obligations to Secretary Israel C. Pierson, Ph.D., for a copy of the proceedings and papers presented at the October meeting of the Actuarial Society of America, together with a complete index for volume 2 of the proceedings. In another column will be found liberal extracts from the paper of Actuary Wells, read at the last meeting.

The long pending suit of the Thames and Mersey insurance company of England against the Continental of New York, growing out of the Dimick frauds at Buffalo some years since, has been decided in favor of the Continental by referee Nash of the U. S. District Court. The other companies interested won their suits against the Continental in previous trials.

The "fire proof" brick and stone building, ten stories high, of the Chicago Athletic Association, mysteriously took fire a few days ago and was badly burned without the least regard for its "fire proof" qualities. The insurance companies thought they had a nice risk at one-half per cent, and wrote \$300,000 on it. They will now pay about \$75,000 for the loss.

The October fire loss in the United States and Canada was the largest of any month in 1892 so far, being \$13,349,200. In October, 1891, it was \$13,248,300, and in October, 1890, \$7,279,500. For the ten months of 1892 the total loss has been \$108,341,550 against \$109,444,550 during the same period in 1891, and \$85,767,045 in 1890. It looks as if the large total of 1891 might be repeated with the close of the present year.

According to associated press dispatches, Gen. Geo. S. Batcheller, United States Minister to Portugal, is about to resign his post to accept a jointly tendered position with the Mutual, the Equitable, and the New York Life as general counsel and foreign agent for ten years at an annual salary of \$25,000. He is to reside in Paris and have all expenses paid, which means from \$5,000 to \$10,000 more. Legal talent must be bulging the life insurance market just now.

A school of instruction in fire extinguishment has been organized in New York, with Ex-Chief Shay, of that city's fire department, as principal instructor. It is to be equipped with apparatus for the drilling of regular firemen, and also will give thorough instruction to men in charge of the fire extinguishing appliances of large manufactories. If the latter class can be brought to avail themselves of the instruction offered, much good may come of this project.

The great companies want volume, worship volume, and will have it. The agent, goaded on and driven hard, must get it, *get it*—at card rates if he can, but get it anyway. Often, too often, his earnings are based on present writings rather than on the permanent and profitable premium. This is not idle talk but stubborn fact, as any number of life insurance agents will bear testimony. Who, then, is most responsible for rebating—the agent who is driven or the company that drives him?—Chicago *Insurance Post*.

Our attention has been called to an error which was made in our last issue in charging the Bankers' Life Association of Iowa with sending letters to agents of good companies in Canada to induce them to enter its service. The real culprit is the Bankers' Life of Nebraska, a small stock company of little consequence. There is also a Bankers' Life Association at St. Paul, Minn. So it will be seen there are three institutions operating under substantially the same name in three different States.

A new telephone company has been formed in this city which has made arrangements with the Strowger Company of the United States, to use its automatic telephones in the Dominion. This invention does away with the delay and annoyance of the present system, and will be especially valuable for the various towns and villages throughout the country. This is manifestly a great invention, and we have no doubt will supersede the present system before long.

With the fresh frankness of a prairie breeze, the *Insurance Magazine* of Kansas City remarks: "When some philosophic writer differentiates (ah ha!) the insurance man from all other men he will find that, in the last analysis (oh ho!), the only special quality our fellow has is rebate. Will someone who can write English please state this fact (if it is one) in plain words? Rebating is the badge of all our tribe; the sword with which we fight; the 'last infirmity of noble minds' Take that away and we are plain, plug men, no better than the ordinary citizen."

The compulsory insurance system of Germany is evidently unpopular with the farmers, one of whom sends to a German agricultural paper his experience with regard to insurance against sickness. He says that in his employ are 22 families, besides extra help at planting and harvest. His total yearly expense for all these was formerly about \$75; while now he is compelled to pay into the fund for insurance against sickness \$350 yearly. He adds that his employees are greatly dissatisfied, and gives it as his own opinion that the existing system will have a pernicious influence on the relations of farmers and their workmen.

The Civil Service Insurance Society of Great Britain during the two years of its existence has received applications for 11,000 policies assuring \$15,000,000. Of course the arrangement made last year with the North British and Mercantile for issuing policies to members of the Society, at a largely reduced premium and without further medical examination, is largely accountable for the above figures. It is now announced that hereafter all civil service members of more than five years service will have to undergo the regular medical examination required of other applicants by the North British.

The Citizens Mutual Life Association of New York refused to pay a claim, on the ground that the insured, whose policy had lapsed from non-payment of assessments but was re-instated upon his signing the usual warrantee that he was in good health, had made a false statement. The Superior Court decided that his reinstatement and the acceptance of past due assessments fully restored the insured to membership irrespective of any certificate concerning good health, true or false. It was open to the association to either accept or reject the application for reinstatement. It accepted it could not go back of its action. If sustained by the higher courts this will prove to be a most important decision.

Hartford as an insurance center comes well to the front, according to the *Hartford Courant*, which, referring to the past 11 years, says: "The six principal New York fire insurance companies have taken more premiums than the six Hartford companies by \$50,000,000, while the profits of the Hartford companies on \$50,000,000 less of premium receipts exceed the New York companies' profits by \$5,000,000 or 100 per cent. In dividends earned and paid, Hartford leads New York by an enormous sum, exceeding \$6,000,000, which is in addition to the vast increase in assets and net surplus in excess of the metropolitan companies." The companies above considered are those capitalized for more than \$1,000,000 each.

That the Insurance Age has a poet and doesn't know it will appear from the following: "O, the life agent man is a fisher of men, though he tackles some pretty tough fish now and then. There's the man who is ready but hasn't the price; and the man who has money but won't break the ice; there's the man who is sure he'll live fifty years more; and the fellow who orders you out with a roar; there's the man who's forever a going to next week (though he still puts you off with plenty of cheek); there's the man who insists on his fifty per cent, though to rebate you awfully hate to consent; there's the man whom you've patiently worked for a 'ten,' who at last gets coralled in some other pen. So we say while the agent's a fisher of men, he tackles some queer kinds of fish now and then."

President Hegeman of the Metropolitan Life compresses a world of truth into the following: "A glass breastpin suits some people for a while, and a \$3 watch may keep time for ten minutes, but when the thing is simmered down there is no such commodity as cheap life insurance any more than there is a cheap government bond. The genuine article of either kind costs something because it is worth something. The average man must pay a premium which will produce the sum promised, and the promise must be adequate and definite. That's the whole thing in a nutshell."

A correspondent at Halifax writes the CHRONICLE, asking for information about the Life Insurance Clearing Company of St. Paul, whose circular he has received. The company's card, in another column, indicates the scope of its operations as an insurer of under-average lives, and the fact that from regular companies and agents it has within a few months received applications amounting to some \$3,000,000, although organized but a few months ago, shows the general favor with which the company is regarded. The company has a capital of \$125,000, and gentlemen of excellent reputation are connected with its management.

The Canada Accident Co.—The Head Office of this company has been transferred to Montreal, and Mr. Lynn T. Leet appointed Manager; while it is expected that Messrs. Eastmure & Lightbourne will be the General Agents at Toronto for the Province of Ontario. As heretofore announced, the controlling interest of the Canada Accident has been acquired by the Palatine of Manchester, Eng., and business will be vigorously prosecuted. Arrangements have been made to reinsure the Citizens' Accident business, as well as the Mutual Accident of Manchester.

PERSONAL MENTION.

MR. JOHN KENNEDY, of this city, manager of the Fire Insurance Association, is now visiting British Columbia and the Northwest.

MR. E. K. SPINNEY, general agent at Yarmouth, N.S., of the Union Assurance Society, was in Montreal recently and made a pleasant call on the CHRONICLE.

MR. P. H. SIMS, general agent for Canada of the British America, was in Montreal recently, on his way to Quebec, and made a pleasant call at the CHRONICLE sanctum.

MR. B. HAL BROWN, the popular Canadian manager of the London and Lancashire Life, is at present visiting the agencies of his company in British Columbia and the Northwest.

MR. JOHN A. MCCALL, the president of the New York Life, arrived home from his European trip on Thursday of last week, looking well and much pleased with his visit.

MR. J. C. NORSWORTHY of Ingersoll, inspector for the North British, has just returned from an inspection tour of the Lower Provinces after a three months' absence.

MR. JOHN ASTE, chairman of the London Corn Exchange, has been made chairman of the London board of the London and Lancashire Fire in place of Mr. J. S. Balfour resigned.

MR. H. M. BLACKBURN, of Toronto, manager of the Sun Insurance Office, has our sincere sympathy in his sad bereavement by the death of his only son, Harry M., of typhoid fever, in his 17th year, which occurred on October 29.

MR. J. A. ROBERTSON, for seven years assistant to Mr. Tatley, manager for Canada of the Royal, has been appointed Dominion superintendent of agencies for the United Fire, of which Mr. T. H. Hudson is manager. We congratulate the United Fire on this acquisition. The Royal loses a good man and the United gains one.

MR. FRED. W. CHURCHILL of Collingwood has succeeded to the agency business of Mr. G. E. Moberly, who, as previously announced, has been appointed inspector for the Northern.

MR. J. F. JUNKIN has been appointed manager for the Province of Quebec of the Manufacturers Life. Mr. Junkin has been for many years connected with the Sun Life of this city, and the Manufacturers' is to be congratulated on securing his services.

MR. WILLIAMS of London, the foreign superintendent of the Alliance, is at present in Montreal. Accompanied by Canadian Manager McHenry he will visit the principal agencies of the company. It will be remembered that the Alliance reinsured the Royal Canadian some months since.

MR. NIEL B. GUNN has been appointed secretary at the head office of the Standard Life of Edinburgh to succeed Mr. J. H. W. Rolland, transferred to the general secretaryship of the company for England. Mr. Gunn has for some years been the secretary of the Standard's colonial department.

MR. R. H. BUTT has been appointed general agent for Toronto, and attorney for Ontario, of the Phoenix of Hartford, in place of the late Mr. Herbert J. Maughan. Mr. Butt has had an experience extending over some 15 years, and we congratulate Manager Hart on securing such a first class representative.

OUR EXCELLENT contemporary, the *Vindicator* of New Orleans, well managed heretofore by Garrett Brown as editor and proprietor, announces that Emmett A. Stanford has purchased an interest in that journal, and that hereafter "two souls with but a single thought" will preside over its destinies. Success to the new combination.

MR. A. J. RELTON, of London, the general manager of the Guardian, arrived in Montreal on the 11th inst., on a visit to the Canadian Branch Office. We understand that Mr. Relton will spend the next few months in the United States. He is well pleased with the solid, progressive strides the Guardian is making in Canada. He laid a solid foundation a year ago which is being rapidly built upon by Resident Manager Heaton. We predict that in a few years the company will take the leading position in the Dominion.

MR. E. A. LILLY, Dominion manager of the London Assurance, has left for the Lower Provinces on a tour of inspection. On his return he will go to Winnipeg with the view of appointing an agent there and at other Manitoba points. He will also extend his trip to British Columbia. It is in contemplation to have the whole Dominion operated from Montreal by Mr. Lilly. We congratulate him on the extension of his territory, and the company in having such a live, capable manager as Mr. Lilly is acknowledged to be.

Legal Intelligence.

LIFE INSURANCE.

ASSIZE COURT, Toronto, Oct., 1892. *Executors of Jeffery vs. Temperance & General Life Assurance Co.*

In this case Rev. T. W. Jeffery had taken out two policies for \$5,000 each in the Temperance and General Life of Toronto, one payable to his heirs and one to his daughter. Being in need of money, the insured, a few months before his death, surrendered one of the policies to the company, receiving therefor \$752. Soon after his death, the other policy was promptly paid by the company. The executors demanded payment also under the surrendered policy for \$4,218, which was of course refused. Suit was brought, the plaintiffs alleging that improper if not fraudulent means were used by the company to induce the surrender of the policy. On the final trial in the above court, before Mr. Justice McMahon, the plaintiffs failed to support this contention, and a verdict was rendered for the defendant, the court stating that no misrepresentation or fraud on the company's part had been shown.

ACCIDENT INSURANCE.

IOWA SUPREME COURT, May, 1892. *Pennington vs. Pacific Mutual Life Ins. Co.* External injury.—Proofs of Loss.

Where the injury to the plaintiff was a strain, and not externally visible until soon after the accident, it was decided by the Court that he was entitled to recover, notwithstanding a provision in the application that the policy should not cover for injuries of which there was no visible, external mark upon the body.

It was also held that, where the policy recited that the plaintiff was by occupation a "local fireman under the classification of engineers," a provision that he should have \$10 per week for thirty weeks continuous, and total loss of such business time a might result from injury, refers only to his occupation as fire man.

A policy provision that claims should be paid at San Francisco or at the agency through which the policy was issued, at the option of the company, was held not to be an agreement that notice and proofs of loss must be made at that city; and where plaintiff transacted the business through the general agent of the company, who caused him to be examined by the company's surgeon at Chicago, there was a sufficient compliance with the policy in the absence of any showing that it was necessary to have transacted the business at any other place.

FIRE INSURANCE.

N. Y. COURT OF APPEALS, May, 1892. *Weed vs. Hamburg Bremen Fire Ins. Co.* Loss payable to mortgagee.—Notice of judgment for mortgagee.—Waiver of notice of proofs of loss.

In this case the company insured property of an estate, the policy containing the usual clause that loss if any should be paid to mortgagee who procured the policy, having previously obtained a judgment of foreclosure. Defendant company claimed that a failure of the mortgagee to inform it concerning this judgment voided the policy. The court held that such notice was immaterial, since the judgment does not, before a sale under it, render him any the less a mortgagee.

The mortgagee was president of a bank and loaned the money for which the mortgage was given, taking the mortgage in his own name. The contention of the defendant was that action could not be brought by plaintiff, because the money was loaned by him for a bank of which he was president. This was overruled by the court, which held, that the liability of the mortgagor is to the mortgagee as between them, and the right to enforce the mortgage is in the individual mortgagee.

The court also held, that though notice and proofs of loss are not furnished to an insurance company until 19 or 20 days after the fire, the company waives the right to object that notice was not given "forthwith," as required by the policy, if it retains the proofs of loss, and requires the assured to amend them from time to time, without suggesting that proper notice has not been given. Further, when proofs of loss are sent to an insurance company, it waives the right to object that another person should have joined in making them, if it retains and acts on them without objection.

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HEAD OFFICE, TORONTO.

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Commercial Credits issued for use in all parts of the world. Exceptional facilities for this class of business in Europe, the East and West Indies, China, Japan, South America, Australia, and New Zealand.

TO INSURANCE AGENTS.—Wanted, a Special Agent to sell contracts for a leading old-line Canadian Life Co. in Province of British Columbia. Address, giving experience, etc., "Provincial Manager," Box 374, Vancouver, B. C.

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Insurance Companies requiring Securities suitable for deposit with Dominion Government or other purposes can have their wants supplied by applying to

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CITY OF WINNIPEG.

TENDERS FOR DEBENTURES.

THE CITY OF WINNIPEG invites tenders for the purchase of \$100,000 of Local Improvement (Sewers) Debentures.

Sealed tenders for the above, marked "Tenders for Debentures" addressed to the undersigned (if by mail to P.O. Box 1221) will be received at the office of the Clerk of Committees, up to

12 o'clock, Noon, on Thursday 8th December.

The Debentures will be guaranteed by the city, and run for fifteen years bearing interest at Five per cent. per annum, interest to be payable half yearly at the Bank of Montreal, Winnipeg.

Further information can be obtained from Mr. D. S. Curry, City Comptroller. No tender necessarily accepted.

THOS. GILROY, Chairman,

Winnipeg, Oct. 22nd, 1891.

FINANCE COMMITTEE

EIGHT PER CENT.

CUMULATIVE PREFERENCE STOCK

—OF THE—

NOVA SCOTIA STEEL & FORGE CO., LTD.

I am authorized to offer at par, for a limited period, 1,259 shares
of the

**8 per Cent. Preference Stock of the NOVA SCOTIA
STEEL & FORGE CO., Ltd.**

Out of the new issue of 2,500 shares, nearly one half, or 1,211 shares, have been taken by the present stockholders, and the balance is offered to the investing public.

The authorized capital of the Company is \$1,000,000, divided into 5,000 EIGHT PER CENT. CUMULATIVE PREFERENCE SHARES, only one half of which will at present be issued, and 5,000 ordinary shares, all of \$100 each.

This enables the Company to issue a CLASS OF STOCK MOST DESIRABLE TO INVESTORS, as it is a PERPETUAL EIGHT PER CENT. stock; and if, from any cause, the dividend of the Company should in any year fall below eight per cent.,

The Deficit will be made good to the Preference Shareholders out of profits of subsequent years.

The paid up capital of the Company, after issue of the 2,500 Preference Cumulative Shares, will be about \$550,000, of which only \$250,000 will be preferred stock, and about \$300,000 ordinary stock, so that in case the Company should be wound up at any time, the

**Preference Shares will have the first claim on
the Assets of the Company.**

And as the greater portion of the ordinary stock is held by the Directors and their friends, it must be seen that the Preferred Stock of this Company offers a security to investors they do not often enjoy.

In the four years, 1889-1892, the gross profits were \$260,748, and after writing off bad debts, and allowing for Depreciation, the net earnings were \$203,598, or an annual net profit of \$50,899, or over 12½ per cent. on the Capital Stock of \$400,000.

It is confidently expected by the Directors, that the additional capital of \$100,000 now being issued will not only increase the earnings of the Company in proportion to its amount, but will yield a much greater percentage of profit than the existing capital.

As the Directors of the Company have a thorough knowledge of the business, and as the demand for the output of the Company is increasing, the prospects are

**Exceptionally favorable for a prosperous and
profitable career.**

The prominent features of this investment are :—

1. It is a sound and permanent industry.
2. It is managed by capable and experienced men, who themselves furnish a very large part of the capital now invested in it.
3. It has proved itself to be a good paying enterprise, and the demand for the products of the Company is increasing.
4. It pays a Preference Cumulative Dividend of eight per cent.
5. It secures the Preference by a first claim on the assets.

Application for Stock will be allotted in the order of receipt. Price of Stock 100% and no commission

DIRECTORS

GRAHAM FRASER, New Glasgow, President and Managing Director.
H. S. POOLE, Stellarton, Vice-Pres. Agent of Acadia Coal Co., Ltd.
J. F. STAIRS, M.P., Halifax (of W. Stairs, Son & Morrow).
J. D. MCGREGOR, M.P.P., New Glasgow (of R. McGregor & Sons).
J. M. CARMICHAEL, New Glasgow (of J. W. Carmichael & Co.).
JOHN McNAB, Halifax.
GEO. F. MCKAY, New Glasgow.

Further information freely furnished.

J. C. MACKINTOSH,
188 Hollis Street, HALIFAX.

CAPITAL -



£2,127,500

Net premiums }
for year 1891 }

£801,616

OF LIVERPOOL, ENG.

WOOD & EVANS, General Agents

FOR THE

Province of Quebec, MONTREAL.

NORTH AMERICAN LIFE ASSURANCE CO.

HEAD OFFICE, TORONTO.

PRESIDENT,
JOHN L. BLAIKIE, Esq.

VICE-PRESIDENTS,

HON. G. W. ALLAN.

J. K. KERR, Esq., Q.C.

WM. MCCABE, F.I.A., Managing Director.

THE operations of the Company for the year ending 31st December, 1891, were the most successful in its history, as shown by the following figures:

| | |
|-------------------|---------------|
| Cash Income..... | \$ 401,046 56 |
| Assets..... | 1,215,560 41 |
| Reserve Fund..... | 954,548 00 |
| Net Surplus..... | 183,012 41 |

CHAS. AULT, M.D., Manager Province of Quebec,
62 St. James St., MONTREAL.

PHENIX

**FIRE INSURANCE COMPANY,
OF LONDON, ENGLAND.**

— ESTABLISHED 1782. —

Agency Established in Canada in 1804.

PATERSON & SON,
— GENERAL AGENTS FOR DOMINION. —

HEAD AGENCY OFFICE.

35 St. Francois Xavier Street, MONTREAL.

**The Temperance and General
LIFE ASSURANCE COMPANY.**

HEAD OFFICE, Manning Arcade, TORONTO.

HON. GEO. W. ROSS, Minister of Education, PRESIDENT.
HON. S. H. BLAKE, Q. C. } VICE-PRESIDENT.
ROBT. MCLEAN, ETC., }

Policies issued on all the best approved plans, both Level and Natural Premium. Total abstainers kept in a separate class, thereby getting the advantage of their superior longevity.

H. SUTHERLAND,
AGENTS WANTED. Manager.

THE THREE SYSTEMS OF LIFE INSURANCE.

By MERVIN TABOR, formerly Actuary of the Illinois Ins. Department.
The Level Premium, the Natural Premium, and the Assessment systems analyzed and amply illustrated by tables.

**A Book Indispensable to every Life Insurance
Solicitor.**

PRICES:—\$3.00, \$2.50, and \$2.00, according to style of binding.
See Catalogue of Publications on another page.

THE MANCHESTER FIRE ASSURANCE COMPANY.

CAPITAL - \$7,500,000

ESTABLISHED 1824.

HEAD OFFICE, - MANCHESTER, ENG.

J. B. MOFFAT, *General Manager & Secretary.*

CANADIAN DEPARTMENT:

HEAD OFFICE, - - - TORONTO.

JAMES BOOMER, *Manager.*

THE CALEDONIAN INSURANCE COMPANY

OF EDINBURGH, SCOTLAND.

ESTABLISHED 1805.

ASSETS, over - \$8,300,000.

Chairman, SIR GEORGE WARRENDER.

General Manager, DAVID DEUCHAR, Esq.

MANAGER FOR CANADA,

LANSING LEWIS,

ST. FRANCOIS XAVIER ST., MONTREAL.

MUNTZ & BEATTY, Agents, Toronto.

KIRBY, COLGATE & ARMSTRONG, Agents, Winnipeg

FIRE INS. * **HARTFORD** * COMPANY.

ESTABLISHED - - - 1810.

HARTFORD, CONN.

CASH ASSETS, \$6,743,047.84.

Fire Insurance Exclusively.

GEO. L. CHASE, President

P. C. ROYCE, Secretary

JOHN W. MOLSON, Resident Manager, Montreal.



PHOENIX

INSURANCE COMPANY

(Of Hartford, Conn.)

ESTABLISHED IN 1854.

Cash Capital, . . . \$2,000,000.00

RESERVE FUND:

Unadjusted Losses, \$ 391,242.30

Re-Insurance Fund, 1,950,653.68

\$2,341,925.98

Net Surplus, . . . 1,334,460.61

D. W. C. SKILTON, President.

J. H. MITCHELL, Vice-Pres.

CHAS. E. GALACAR, 2nd Vice-Pres.

GEO. H. BURDICK, Secretary.

CANADA BRANCH.

FULL DEPOSIT WITH THE DOMINION GOVERNMENT.

Head Office, - - - Montreal.

114 ST. JAMES STREET.

GERALD E. HART,

General Manager and Chief Agent.

Applications for Agencies Solicited.

THE WANT SUPPLIED.

THE LIFE INSURANCE CLEARING CO.,

ST. PAUL, MINN.

Insures Under-Average Lives Exclusively.

L. G. FOUSE, Consulting Actuary.

A HELP TO OTHER COMPANIES. A BENEFIT TO AGENTS

A BOON TO THE REJECTED.

Applications for over \$2,500,000 of Insurance received by the Company during the first three months, without an Agent in the field.

The "Progressive Policy" of the Life Insurance Clearing Company gives to the insured all the advantages that the continuance of life enables any insurance company to guarantee. If the natural or term expectancy is attained by the insured he will receive, on payment of the regular premium, as much insurance as in any other company.

Estimates furnished on ordinary life, limited payment, endowment and stock rate policies at all ages from 20 to 60.

Life Insurance agents and managers will find it to their advantage to communicate immediately with the undersigned.

Send for circular, Address,

RUSSELL R. DORR, President,

St. Paul, Minn.

MARINE INSURANCE.

NORTH QUEENSLAND INSURANCE CO., LIMITED,

OF SYDNEY, AUSTRALIA.

Capital, - - - \$500,000

Cargoes, Freights and Hulls written at lowest current rates. Prompt settlement of Claims is a distinguishing feature of this Company.

Policies issued with losses payable in London, Australia or at any of the Company's numerous agencies throughout the World.

LONDON OFFICE, - - - 16 CORNHILL, E. C.

WHITTAKER & CO., Chief Agents and Attorneys for Canada,

Correspondence solicited.

76 Prince William Street, ST. JOHN, N. B.

THE
GERMANIA LIFE

Insurance Company of New York.
Established 1860. Assets \$17,000,000.00

AN ACTUAL RESULT:

| | | |
|--|---------------------------|-----------|
| Policy of \$5,000..... | to Pay't Life Plan | |
| | 13 years Dividend Tontine | |
| Age 27..... | Annual premium | \$ 228.00 |
| Total premiums paid..... | | 2,280.00 |
| Cash Settlement at end of Tontine Period:— | | |
| Guaranteed Reserve..... | \$1,905.00 | |
| Surplus actually earned..... | 1,404.90 | 3,309.90 |

This represents a return of all premiums paid, with a profit of.... \$1,049.80
Free choice also given of such options as are offered by other first class companies.

JEFFERS & RÖNNE, Managers,

46 King Street West, Toronto.

GOOD AGENTS WANTED—Liberal Terms.

SUN INSURANCE OFFICE,

FOUNDED A.D. 1710.

HEAD OFFICE:

Threadneedle Street. - - London, Eng.

Transacts Fire business only, and is the oldest purely fire office in the world. Surplus over capital and all liabilities exceeds \$7,000,000.

CANADIAN BRANCH:

15 Wellington Street East, - Toronto, Ont.

H. M. BLACKBURN, Manager.

W. ROWLAND, Inspector.

This Company commenced business in Canada by depositing \$300,000 with the Dominion Government for security of Canadian Policy-holders.

LANCASHIRE

Insurance Company of England.
Established 1852. Entered Canada 1861.

CAPITAL, - £3,000,000 Sterling.

Reserve Funds, 31st

Dec., 1891,

\$6,033,042.10

Total Income,

1891,

\$5,116,467.80



HEAD OFFICE IN CANADA:

59 Yonge St., - TORONTO.
J. C. THOMPSON, Manager.

Montreal Office, - 51 St. Francois Xavier St.
JAS. P. BAMFORD, Agent.

Quebec Office, - 82 St. Peter Street.
J. B. MORISSETTE, Agent.

BOUND VOLUMES

OF THE

Insurance and Finance Chronicle

—FOR 1891.—

At this Office. PRICE, \$3.50.

PROVIDENT SAVINGS LIFE ASSURANCE SOCIETY

OF NEW YORK.

SHEPPARD HOMAN, President.

Seventeenth Annual Statement

FOR THE YEAR ENDING DECEMBER 31st, 1891.

| | |
|---|-----------------|
| Income..... | \$1,640,468.34 |
| Paid Policy-holders..... | 1,105,410.12 |
| Total Expenses of Management..... | 387,916.01 |
| Assets..... | 1,084,791.27 |
| Liabilities, Actuaries' 4% Valuation..... | 463,538.67 |
| Surplus, Actuaries' 4%..... | 621,252.60 |
| Surplus, American Experience, 4½%..... | 653,262.00 |
| \$261.77 of Net Assets to each \$100 of Net Liability. | |
| Policies issued in 1891..... | \$16,200,605.00 |
| Policies in force December 31st, 1891..... | 69,676,446.00 |

\$50,000 deposited with the Dominion Gov't.
ACTIVE AGENTS WANTED.

R. H. MATSON, General Manager for Canada

Head Office, - - - 37 Yonge St., Toronto.

R. J. LOGAN, Agent, Imperial Bldg, Montreal.

1850

THE

1892

United States Life Insurance Co.,
IN THE CITY OF NEW YORK.

| | | | | |
|--|----------------|----------------|-----------------|-----------------|
| | 1888. | 1889. | 1890. | 1891. |
| New Insurance written, | \$6,335,665.50 | \$8,463,625.00 | \$11,955,157.00 | \$14,101,654.00 |
| Total amount in force December 31st, - | 25,455,249.00 | 29,469,590.00 | 35,395,402.50 | 41,166,669.00 |

GEO. H. BURFORD, President.

C. P. FRALEIGH, Secretary.

A. WHEELWRIGHT, Assistant Secretary.

WM. T. STANJEM, Actuary.

The two most popular plans of LIFE INSURANCE are the CONTINUABLE TERM POLICY which gives to the insured the greatest possible amount of indemnity in the event of death, at the lowest possible present cash outlay; and the GUARANTEED INCOME POLICY which embraces every valuable feature of investment insurance, and which in the event of adversity overtaking the insured may be used as COLLATERAL SECURITY FOR A LOAN, to the extent of the full legal reserve value thereof, in accordance with the terms and conditions of these policies.

Good Agents, desiring to represent the Company, are invited to address **J. S. GAFFNEY, Superintendent of Agencies, at Home Office.**

E. A. COWLEY, Manager Province of Quebec, Montreal.

CATALOGUE OF

INSURANCE PUBLICATIONS,

FOR SALE AT THE OFFICE OF
The Insurance & Finance Chronicle, Montreal.

All Standard Insurance Books sold at Publishers Prices, Plus the duty.

The Insurance & Finance Chronicle.—A semi-monthly journal devoted to the interests of Insurance and General Financial Affairs. Established in January, 1881. Annual Subscription..... \$3 00
Bound Volumes. Per vol..... 3 50

FIRE INSURANCE.

Cancellation Tables, by J. GRISWOLD, The fullest and most extended work of the kind ever attempted; showing both the earned and unearned premiums, both pro-rata and short rate, in actual figures, of any amount from 1 cent to \$100,000, for any time from 1 day to 5 years. 10 00

Classification of Fire Hazards and Losses; a new, complete, and labor-saving method. By J. GRISWOLD. Some eight companies have adopted this excellent system, and it is steadily growing in favor as the Underwriters become more familiar with it. Cost of complete outfit..... 25 00

Ducat's Practice of Fire Underwriting. Single copies.. 1 50

Fire Agents Text Book.—An Annotated Dictionary of the terms and technical phrases in common use among Fire Underwriters. By J. GRISWOLD. To which is appended a Policy Form Book. The whole supplemented by Short Rate and Pro-Rata Cancellation and Time Tables. Published at the Office of the INSURANCE & FINANCE CHRONICLE, Montreal. Price..... 2 00

Fires; their Causes, Prevention and Extinction; combining also a guide to agents respecting insurance against loss by fire, and containing information as to the construction of buildings, special features of manufacturing hazards, writing of policies, adjustment of losses, etc., by F. C. Moore, N.Y. 290 pp., 12 mo., cloth, beveled edge; per copy..... 2 00

Griswold's Tables of Constant Multipliers and Time Tables.—The *Time Table* exhibits at a glance the number of months or days intervening between any two given dates, from one day to five years. The *Table of Constant Multipliers*, for the rapid computation of Premiums, Cancellation of long term, annual or short term policies, Casting of Interest, etc. In set of 3 cards with portfolio. Price..... 2 00

Griswold's Fire Underwriters' Text Book.—Revised and brought down to date. Much new and valuable matter has been introduced, including citations of decisions in the higher courts. These citations are numerous and cover the entire field, giving comprehensively the LAW OF FIRE INSURANCE. The Index is very copious, referring not only to pages but sections. Large octavo, 993 pages, full law sheep. Published at the office of the INSURANCE & FINANCE CHRONICLE..... 10 00

Griswold's Hand-Book of Adjustments. By J. GRISWOLD, Esq. A new edition, revised and greatly enlarged. The standard authority and most perfect compendium of information, tabular, legal, etc., on the adjustment of Fire losses extant. No agency or adjusting outfit complete without a copy. Green cloth and gold..... 1 50

Hine's Book of Forms.—Policies, Endorsements, etc. New edition, greatly enlarged, with a treatise on policy writing by J. GRISWOLD. Single copies..... 1 50

Hine's Expiration Book.—Good for ten years from any date of beginning. NO. 1, 72 leaves, 10 x 16 (6 to month), marbled sides, leather back and corners; for small agencies..... 3 00
No. 2, 96 leaves (8 to month), cloth sides, leather back and corners..... 5 00
No. 3, 168 leaves (14 to month), cloth and leather..... 7 00

Hine's Pocket Expiration Book. Good for seven years from any date; gotten up on the same general plan as the large Expiration Book, but very neat and compact. Handsomely bound in cloth, with gilt side-title, pocket size. Per copy..... 1 50

Hine's Instruction Book for Agents, new edition, revised and greatly enlarged. Single copies..... 2 50

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Published at the office of INSURANCE & FINANCE CHRONICLE.

Waters' Adjustment of Fire Losses Building. 3 00

Proofs of Loss Forms and Apportionment Blanks.
—On one Sheet. INSURANCE CHRONICLE Ed.—Price, \$1 per doz., \$5 per 100.

Appraisement Blanks.—Full form—Price, \$1 per doz., \$5 per 100.

Appraisers Award.—Short Form. Price, 50c. per doz., \$2 per 100.

LIFE INSURANCE.

Principles and Practice of Life Insurance, A treatise on the principles and practice of Life Insurance. With valuable tables for reference. A complete arithmetical explanation of the computations involved in the science of Life Contingencies. By NATHAN WILLEY, with additions by H. W. SMITH, Actuary. Revised Edition, 1892. Per copy, cloth..... 2 00
Pocket Edition, flexible leather cover..... 2 50
Actuaries Edition, quarto, extra tables..... 5 00

An Instruction Book for Life Insurance Agents, Caseworkers, and Solicitors. By N. WILLEY, Actuary. Single copies 1 50

Three Systems of Life Insurance.—By Mervin Tabor, formerly Actuary Illinois Insurance Department. Valuable alike to policy holders and policy-seekers, and indispensable to the Life Insurance Solicitor. The Level Premium, the Natural Premium and the Assessment systems are analyzed and illustrated by tables and plans pertaining to each system in the fullest manner. Agent's Pocket Edition printed on bond paper, flexible Russia cover, 220 pages. Published price \$5, nett..... 3 00
Company Edition bound in semi-flexible leather, covers, 240 pgs. Library Edition, bound, English cloth..... 2 00

Filtercraft's Life Insurance Manual containing contracts and premium rates of the principal companies in the United States, with their various "Estimates." Revised Edition, 1892. Also valuable reserve and other tables. Price..... 3 00

Handy Guide to Premium Rates, Applications and Policies of American Life Insurance Companies, showing forms of policies and accompanying conditions, tables of rates for whole life, endowment, term and industrial business, and for annuities, together with reserve and other tables..... 2 00

The ABC of Life Insurance.—An elementary treatise on the fundamental principles of Life Insurance. This book is an easily understood treatise, adapted to the general want of agents and others. By CHAS. E. WILLARD. Price..... 1 25

Hardy's Valuation Tables.—Based upon the Institute of Actuaries' Mortality Experience Table at 3 3/4, 4 and 4 1/2 per cent. Gives Premiums and Reserves on all life and life and endowment paid-up policies, full tables of annuity values for life and temporary periods, etc..... 7 50

Napier's Construction of Logarithms, translated from Latin into English with valuable notes. A valuable book..... 6 00

Agents' Monetary Life and Valuation Tables.—By D. PANTS FACKLER, Actuary. An invaluable work for Life Agents. New edition..... 1 50

LAW.

The Insurance Law Journal.—A monthly publication established in 1871, and devoted exclusively to Insurance Law. The latest decisions published monthly. There is no other similar publication; this is the only depository where the Insurance Decisions can be obtained in a body. Monthly numbers, each 50c. Annual subscriptions, Back volumes since 1871, forming a complete history of Insurance Law, 960 pages each, law sheep, are for sale. Price per volume..... 6 50

Hine & Nichols' New Digest of Insurance Decisions, Fire and Marine, together with an abstract of the Law on each important point in Fire and Marine Insurance. The whole being a complete Hand-Book of the Law of Fire Insurance. 1882. Law sheep. 200 pp..... 6 50

Hine & Nichols' Fire Agents' Hand-Book of Insurance Law. 2 00

Law of Assignments of Life Policies. By HINE & NICHOLS. The Assignment of Life Policies has been the subject of much recent litigation, so that the standard text book, issued only a few years since, are wholly incomplete in regard to it. This work brings the law down to the present date. Cloth..... 2 50

Finch's Insurance Digest, containing a summary of all the late decisions of Courts of last resort, with a full index of subjects, and a table of cases; forming a "reference book" indispensable to every lawyer and underwriter, officer, or agent, 8vo..... 2 00

May on Insurance.—Second Edition. The Law of Insurance as applicable to Fire, Life, Accident and other risks not marine. 930 pages, 8vo..... 6 00

Cooke on Life Insurance.—By FREDERICK H. COOKE, Esq., of the New York Bar. A concise, exhaustive treatise on the Law of Life Insurance, including insurance by mutual benefit societies and accident insurance. American, English and Canadian cases have been consulted. Bound in law style. Price..... 4 25

The Law of Fire Insurance.—By HENRY FLANDERS, Esq. The most recent and exhaustive text-book on Fire Insurance now before the public. Second edition. One vol., 670 pages. Law sheep. Published at 7 50..... 5 00

Bennett's Fire Insurance Cases.—British and American, from the earliest dates; full and valuable. 5 vols. Price per volume. 6 50

Phillips on the Law of Insurance.—By WILLARD PHILLIPS. Fifth edition, revised and brought down to the recent times. 2 vols. Law sheep..... 13 00

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Sharpstein's Digest of Life and Accident Cases.—A full compendium of the American and British Life and Accident Ins. Cases. 290 pages. Law sheep..... 3 00

FORTY-SEVENTH ANNUAL REPORT

OF THE

New-York Life Insurance Company

Office: 346 & 343 Broadway, New York.

JANUARY 1, 1892.

ASSETS.

| | |
|---|--------------------------------|
| Real Estate | \$12,423,217.15 |
| Stocks and Bonds..... | 77,617,663.40 |
| Bonds and Mortgages..... | 21,406,233.56 |
| Loans secured by collaterals | 4,531,000.09 |
| Premium Loans..... | 521,700.28 |
| Cash in Office and in Banks and Trust Companies..... | 6,070,942.27 |
| Interest and Rents due and accrued..... | 565,037.81 |
| Net amount of uncollected and deferred premiums | 2,766,466.84 |
| Total Assets | <u>\$125,947,290.81</u> |

LIABILITIES.

| | |
|---|--------------------------------|
| Reserve, or Value of outstanding Policies | 109,428,156.00 |
| Other Liabilities..... | 1,578,111.50 |
| Total Liabilities | <u>\$110,806,267.50</u> |
| Surplus, being the same amount which will be shown to be the Company's Surplus by the Annual Report of the New York State Insurance Department as of December 31, 1891 | <u>\$15,141,023.31</u> |

INCOME.

| | |
|---------------------------|-------------------------------|
| Total Premium Income..... | 26,256,276.40 |
| Interest, Rents, etc..... | 5,597,919.58 |
| Total Income..... | <u>\$31,854,194.98</u> |

DISBURSEMENTS.

| | |
|--|-------------------------------|
| Losses paid..... | \$6,087,620.70 |
| Endowments paid..... | 1,066,735.11 |
| Annuities, Dividends, Surrender Values, etc | 5,517,075.07 |
| Total paid policy-holders..... | <u>\$12,671,430.88</u> |
| Commissions..... | 3,918,142.69 |
| Agency Expenses, Physicians' Fees, Advertising and Printing..... | 1,550,614.28 |
| Taxes, Salaries and other expenses | 1,317,812.05 |
| Total Disbursements..... | <u>\$19,458,089.80</u> |

Number of Policies Issued during 1891, 52,746. New Insurance, \$182,664,962.
Total number of Policies in force January 1, 1892, 194,452. Amount at Risk, \$611,824,713.

JOHN A. McCALL, President.

HENRY TUCK, Vice-President.
ARCHIBALD H. WELCH, 2d Vice-President.
GEORGE W. PERKINS, 3d Vice-President.
RUFUS W. WEEKS, Actuary.

A. HUNTINGTON, M. D., Medical Director.
CHARLES C. WHITNEY, Secretary.
HORACE C. RICHARDSON, Ass't. Actuary
THEODORE M. BANTA, Cashier.

DEPARTMENT FOR CANADA.

DAVID BURKE, GENERAL MANAGER.

HEAD OFFICE:—Company's Building, Montreal.

BRANCH OFFICES: { Board of Trade Bld'g, Toronto.
Union Bank Bld'g, Halifax, N.S.