THE FEDERAL LIFE ASSURANCE CO.

FOURTEENTH ANNUAL STATEMENT.

The Fourteenth Annual Meeting of the shareholders of this Company was held at the head office, in Hamilton, on Tuesday, 3rd March, 1896, at 2 o'clock p.m. Mr. James H. Beatty, President, occupied the chair, Mr. David Dexter, Managing Director, acting as Secretary, when the following report was submitted:

DIRECTORS' REPORT.

YOUR Directors have the pleasure to submit herewith for your approval the Fourteenth Annual Statement of the Company, showing the amount of insurance written, and the receipts and disbursements for the year 1895, together with the assets and liabilities of the Company at the close of the year.

Fifteen hundred and forty-seven applications for insurance, amounting to $2,128,550, were received during the year. Of these applications, thirteen hundred and sixty-two were accepted, for $1,830,050. The remainder were either declined or in abeyance, waiting further information, at the end of the year.

The average new risk assumed on each life, and the premium obtained therefor, prove the satisfactory nature of the business written.

Though the aggregate amount assured by the Company was not greatly increased, more than four hundred lives were added to those insured.

The assets of the Company were increased during the year $67,966.12, and are now within a fraction of half a million dollars. A very satisfactory result, in view of the considerable amount paid to Policy-holders for claims and profits.

The security to Policy-holders, including guarantee capital, was at the close of the year, $1,119,576.30, and the liabilities for reserves and all outstanding claims, $415,621.88, showing a surplus of $703,950.02. Exclusive of uncalled guarantee capital, the surplus to Policy-holders was $84,151.02.

The death claims amounted to $92,500 (re-insurance deducted), under 43 policies—a reduction in the amount of insurance paid by reason of death as compared with last year. Including cash dividends and dividends applied to premium reductions ($30,141.59), our total payments to policy-holders amounted to $123,224.55 during the year.

The depression in nearly all branches of business felt throughout the country in the previous year was increased rather than diminished during the past year. On the whole, however, the results of the Company's business have given your Directors reasonable satisfaction. It is hoped that the conditions of business in general will be improved during the current year, in which event we may expect additional prosperity. Our Agents are active and intelligent workers, earnest in their efforts to advance the interests of the Company and the insured, and can be relied upon for such results as may fairly be expected from their respective fields.

Your Directors have now to surrender their trust into your hands, and in doing so desire to express their appreciation of the confidence reposed in them from year to year, and to acknowledge the able co-operation and efficient services of the office staff of the Company.

The accompanying certificate from the Company's Auditors vouches for the correctness of the statements submitted herewith, all accounts, securities and vouchers having been examined by them.

JAMES H. BEATTY, *President.* DAVID DEXTER, *Managing Director.*

AUDITORS' REPORT.

To the President and Directors of the Federal Life Assurance Company:

GENTLEMEN,—We have made a careful audit of the books of your Company for the year ending 31st December, 1895, and have certified to their correctness.

The securities have been inspected and compared with the ledger accounts and found to agree therewith.

The financial position of your Company as on 31st December is indicated by the accompanying statement.

Respectfully submitted,

H. STEPHENS,
SHERMAN E. TOWNSEND, } *Auditors.*

HAMILTON, 2nd March, 1896.

The Federal Life Assurance Company

HAMILTON, ONTARIO.

FINANCIAL STATEMENT

FOR THE YEAR ENDING 31st DECEMBER, 1895.

INCOME

Ledger Assets (January 1st, 1895),			$334,871 63
Premiums (Cash)	$238,247 94		
Premiums secured by Liens,	10,166 62		
		$248,414 56	
Premiums Paid by Dividends,		20,202 95	
Cash Received for Annuities,		965 60	
		$269,583 11	
Less Re-insurance,		11,935 76	
		$257,647 35	
Interest,		19,474 60	
Rents		454 50	
			277,576 45
			$612,448 08

DISBURSEMENTS.

Claims by Death,	$81,500 00		
Received from Re-insurance Companies,	10,000 00		
		$ 71,500 00	
Matured Endowments,		2,000 00	
Dividends to Policy-holders, Cash,	9,938 64		
Dividends to Policy-holders, *re* Premiums,	20,202 95		
		30,141 59	
Surrendered Policies,		9,582 96	
Total Paid to Policy-holders,		$113,224 55	
Commission,	$23,282 25		
Medical Fees,	5,629 31		
Salaries,	39,874 18		
Travelling,	14,692 74		
Printing, Advertising and Stationery,	3,992 67		
Rents,	1,737 24		
Expenses (General)	8,791 23		
		97,999 62	
			211,224 17
Balance,			$401,223 91

ASSETS.

Municipal Debentures,	$ 70,430 14	
Mortgages on Real Estate,	88,082 93	
Real Estate,	25,000 00	
Loans on Policies,	121,612 48	
Cash in Bank and on Hand,	88,025 70	
Advances to Agents (secured)	5,856 63	
Agents' Ledger Balances,	3,257 03	
Office Furniture,	1,808 32	
Premiums Deferred and in Course of Collection (including Short Date Notes for Premiums on Policies in Force, Commissions Deducted),	88,020 98	
Interest Accrued,	7,679 69	
		$499,773 90
Guarantee Capital,		619,803 00
Total Resources for Security of Policy-holders,		$1,119,576 90

LIABILITIES.

Reserve Fund,	$403,448 76	
Claims Unadjusted,	12,173 12	
		415,621 88
Surplus to Policy-holders,		$703,955 02
Paid-up and Guarantee Capital,		700,000 00
Amount Assured,		$10,664,227 26

The adoption of the report was moved by Mr. Beatty, seconded by Mr. Kerns, and carried unanimously, after favorable comments from the mover, seconder, and other share-holders.

The Medical Director, Dr. A. Woolverton, submitted an interesting report and analysis of the death-rate experience of the Company for the year, for which he was tendered a vote of thanks.

The following Directors were re-elected: M. H. Aikins, M. D., James H. Beatty, A. Burns, LL. D., Edwin Chown, David Dexter, Wm. Drysdale, Hon. G. E. Foster, Hon. J. M. Gibson, Thomas Holtby, Wm. Kerns, M. P. P., Hon. E. McLeod, John Potts, D. D., Rev. John G. Scott, George Scott, J. A. VanWart, Rev. John Wakefield, Wm. Williams, D.D., A. Woolverton, M. D., Rev. A. E. Russ.

At a subsequent meeting of the Directors the officers of the Board were all re-elected.

COMMENTS OF THE PRESS.

Journal of Commerce: "It is often said that people generally get what they deserve in *this* world also, and no doubt the truth of the saying will apply to corporations as well as to individuals. Its application to the report of the Federal Life, which will be found elsewhere in these columns, will not be denied, and this more especially in a period like that through which the country has been passing in common with the entire commercial world during the last year or two. It will be seen that nearly 1,550 applications for insurance, amounting to about $2,130,000, were received by the Company during the year under review. That some 285 of these were declined or postponed for further consideration, shows that the Company is not working for the present, but has due regard for the permanence of their security to their policy-holders. The assets of the Company, it will be seen, were increased during the year by $67,966.12 and are now very close on half a million dollars. This is all the more gratifying in view of the large amount paid to policy-holders for claims and profits. Including the guarantee capital the security to policy-holders at the close of the year was $1,119,576.30, and the liabilities for reserves and all out-standing claims $415,621.88, showing a grand surplus of $703,950 02. The surplus to policy-holders, exclusive of uncalled guarantee capital, is $84,151.02. The Company has experienced a reduction in the amount of insurance paid for death claims as compared with 1894; the total payments to policy-holders during the year amounted to $123,224.55. The figures of the statement speak for themselves, and in such times as we have been passing through—or at any time—are highly creditable to the management. Mr. Dexter has certainly been working up a solid, substantial business, and bringing his Company forward to a highly respectable position in the ranks of Canadian life insurance. The old Board was re-elected with Mr. James Beatty as President."

The Canadian Trade Review: "The report presented at the fourteenth annual meeting of the shareholders of the Federal Life Assurance Company was an unexpectedly satisfactory one, considering the depressed condition of business generally during the period it covered. It bears the impress of skilful and energetic management upon the part of the superior officers of the Company and of active and intelligent effort upon the part of the subordinate workers to a marked degree, and as such deserved the favorable comment it received at the hands of the shareholders present. It shows that during the year, in spite of the very liberal payments to policy-holders on account of claims and profits, the assets of the Company were increased by $67,966, and that the security to policy-holders at its close, including guarantee capital, was $1,119,576. During the twelve months covered by the report, the Company received 4,547 applications for insurance amounting to $2.128,550, and out of this they were able to accept 1,362 lives, amounting in value to $1,830,050. The death claims, on the other hand, show a gratifying reduction, indicating the care with which the Company's lives have been selected, and amounted, after deducting reinsurance, to only $92,500, while the total payments to policy-holders, including cash dividends and dividends applied to premium reductions, reached the comfortable sum of $123,224. These figures speak for themselves, and need no comment at our hands. It is only necessary to say that, if the Federal Lite have been able to accomplish such results under such unfavorable conditions as prevailed during last year, what may we not expect from them now that the clouds of depression are slowly but surely clearing away from the business horizon."

The Hamilton Spectator: "With a total of 1,362 applications for insurance accepted, aggregating in value $1,830,050; with four hundred new lives insured; with assets increased nearly $68,000 during the year, and with the total assets now about half a million, the directors of the Federal Life Assurance Company had good reasons to be confident that their annual report would meet with the approval of the shareholders at the general annual meeting of the Company. This Company's business is, it is evident, very carefully managed. It has an excellent Board of Directors, some of whom are among the most prominent men in the country, and it has in Mr. Dexter a capable and energetic Managing Director. That its business has been prudently managed is indicated by the fact that there is now a surplus of security to policy-holders, over all liabilities, of more than $700,000."

The Globe: "The fourteenth annual statement of the Federal Life Assurance Company, the annual meeting of which was held on Tuesday afternoon last in the head office in Hamilton, gives a most satisfactory account of the Company's business during the past year, and indicates what even in depressed times can be done in absolutely sure business when the management is composed of enterprising and far-sighted men. The report showed that during the year 1,547 applications for insurance, amounting to $2,128,550, had been received. Of these, 1,362 had been accepted for $1,830,050. The assets of the Company had been increased during the year $67,966, and are now within half a million dollars. The security to policy-holders, including guarantee capital was, at the close of the year, $1,119,576, and the liabilities for reserves and all outstanding claims $415,621, showing a surplus of $703,955. Exclusive of uncalled guarantee capital the surplus to policy-holders was $84,151. The death claims amounted to $92,500 (reinsurance deducted). Including cash dividends and dividends applied to premium reductions the total payment to policy-holders amounted to $123,224 during the year. The shareholders showed their appreciation of the year's work by re-electing the Directors, and at a meeting of this body the officers of the Board were re-elected."

The Mail and Empire: "From the report of the fourteenth annual meeting of the Federal Life Assurance Company, held at the head office at Hamilton, it will be seen that the Company has had a most satisfactory year's business. The Directors have been able to place before the shareholders figures which show that notwithstanding the depression of trade, which has told so severely on similar institutions, the affairs of this Company are such as to call forth the satisfaction of all concerned. The volume of business has been considerable, and in the hands of the able management of the officers and Directors there is every reason to look forward to a substantial increase in the near future."

The London Advertiser: "The Federal Life Assurance Company, in its report for last year, submitted at the annual meeting at the head office in Hamilton, as printed in the *Advertiser* to-day, showed a balance sheet most satisfactory to its shareholders as well as highly attractive to insurers. Despite the fact that the depression in business throughout the country last year was even greater than in 1894, it is pointed out that the Directors have reasonable satisfaction in the business transacted by them. No fewer than 1,362 carefully selected risks were added to those already held by the Company, representing an insurance of $1,830,050. The assets of the Company were increased during the year by $67,966.12, bringing the total up to the large sum of half a million Despite the increase in business, the death claims were smaller than in the previous year, representing $92,500. The security to policy-holders at the end of the year was $1,119,576,90, and after deducting all liabilities there was a surplus of $703,955.02. The dividends paid to policy-holders represented $30,141.59. These are results of which the Directors of the Federal Life are justly proud. They enter on a new year fully assured that with the co-operation of their officials an even more satisfactory twelve months of business will be the outcome."

FOURTEENTH

ANNUAL REPORT

FOR THE YEAR ENDING

31st December, 1895,

—OF THE—

FEDERAL LIFE ASSURANCE CO'Y.

Guarantee Capital, $700,000.00.

Full Government Deposit.

HEAD OFFICE:

HAMILTON, ONTARIO.