

### MARINE FIRE COVERAGE.

The question is often asked by fire insurance men, why marine companies write fire insurance on merchandise while on docks and in warehouses and in many instances at rates far below the fire tariff.

The question is one that is easily answered.

It is impossible for the merchant doing an export or import business to properly protect himself, unless the inland risk and the fire risk at the point of debarkation or embarkation, as the case may be, is included in his marine policy.

For instance, a merchant in New York is selling a bill of goods to a merchant in Manila. When the goods are ready to be shipped, the merchant takes his documents, consisting of invoices, bills of lading, etc., and his policy of insurance, protecting the shipment, to the bank and promptly obtains an advance.

The goods and the documents are now out of his hands and the transaction, so far as he is concerned, is a closed incident. The documents are then forwarded by the bank to their correspondents at the point of destination where the consignee is in a position to obtain possession of the goods by taking up the draft.

Naturally the bank will not advance money against goods unless reasonably certain that collection will be made from the consignee and the guarantee, so far as the marine and fire hazard is concerned, is furnished him by the shipper through the marine policy. As the shipment may be lost at any time after leaving the shipper's warehouse, either through a railroad peril, by fire on the dock at point of embarkation, or by a peril of the sea while water borne or after delivery on the dock at point of debarkation, it is necessary that the policy, in order to make the transaction possible, must protect the goods accordingly.

The marine underwriter has therefore found it necessary to include in his policy what is known as the "warehouse to warehouse clause," which reads as follows:

"Including (subject to the terms of the policy) all risks covered by this policy from shippers' or manufacturers' warehouse until on board the vessel, during transshipment, if any, and from the vessel whilst on quays, wharves, or in sheds during the ordinary course of transit until safely deposited in consignees' or other warehouse at destination named in policy."

The fire insurance agent or broker must not get the impression that this fire risk is one that is willingly assumed by the marine underwriter for a rate which, as above mentioned, is in many instances below the fire tariff rate, in order to secure the fire insurance. It is just the reverse.

The marine underwriter would gladly give a substantial proportion of his premium to be reliev-

ed of the fire insurance feature of the risk, were it feasible to do so. However, as it is a physical impossibility to keep track of shipments, the marine underwriter is in constant fear of a serious dock fire on which it is impossible for him to know his liability until after the loss occurs and therefore impossible to cover himself fully by reinsurance.

The fire underwriter is always able to limit his liability in any one particular building or locality and it is only through some clerical error that he has an overline, and he lives in constant dread of some such contingency arising. The marine underwriter, however, owing to the fact that numerous steamers may discharge their cargoes on one dock or into one warehouse, may have an enormous value at risk—how much he never really knows—and his frame of mind, therefore, when a big dock fire is reported, can easily be imagined.

The marine underwriter would gladly confine his underwriting to strictly marine business and leave the fire portion to the fire underwriters, were it at all possible.—The Fireman's Fund Record.

### LONDON & LANCASHIRE FIRE INSURANCE COMPANY

#### Moves Its Head Office to London, England.

The Head Office of the London & Lancashire Fire Insurance Co. will be transferred from Liverpool to London. This announcement was made at the Annual Meeting of the Company. Since 1907 the London & Lancashire has acquired three important insurance companies whose head offices were in London, and this no doubt, is largely responsible for the change being made to suit the convenience of the executive and administrative staff of this great institution. We understand that a large staff will be maintained in Liverpool, and that the annual meetings will continue to be held there.

### SUSPECTED INCENDIARISM AT SYDNEY, N.S.

On the 4th ult., the authorities arrested James Bussey on suspicion of being an incendiary. A fire occurred in the Sydney Hotel on April 28th (as reported in our last issue) involving a serious loss, and since that date, we understand five different attempts, to burn the Vidal Hotel have been made, and other buildings in the city have also had close calls. Two attempts to fire a paint shop in the centre of the business district on the 4th instant were followed by the arrest of Bussey, on information of Captain Micklerveight, of Halifax, who has been watching developments since the Sydney Hotel fire. No doubt, the authorities will make the punishment fit the crime if the accused is convicted and set a good example to the Fire Commissioners of Montreal who are quick to investigate, but slow to convict.