

inclusion in new Conditions 2 and 11 of words requiring the company to return merely a proportion of the premium paid.

The length of notice which the company had to give in cancelling was fixed by the old conditions as five or seven days, depending on whether the notice was served personally on the assured or sent by registered letter. This distinction is done away with and seven days fixed as the necessary notice.

Under old Condition 8 other insurance of the same interest in the property not disclosed to a company and consented to by it relieved the company from all liability. Under new Condition 5 the non-disclosure of such insurance must be shown to be fraudulent to avoid the insurance and if fraud is not shown the insured can recover 60 per cent. of his loss. This provision is a modification of the condition in force in Manitoba.

The clause as to repairs (new Condition 6 c) has been amended so as to give the assured the privilege of making "incidental alterations" as well as repairs for 15 days in each year. In practice there may be some difficulty in drawing the line between "incidental alterations" and "changes material to the risk" under new Condition 2.

The clause as to the storage of dangerous substances (new Condition 6 f) has been altered to make it relieve the company from liability only when the storing or keeping is by the assured "or to his knowledge by any other person under his control." This is intended to prevent a landlord's insurance being avoided by acts of his tenant which the landlord may be entirely ignorant of or unable to prevent.

Old Condition 11, as to explosions of gas (now Condition 10), has been amended to cover explosions of natural gas as well as coal gas. This clause indirectly conflicts with the Dominion Insurance Act, 1910, under which a Dominion license to transact fire insurance does not include authority to do gas explosion insurance which is made a separate branch. It follows that a company which takes a license from the Dominion for fire only when it engages in business in Ontario is compelled to issue a policy which is broader than its Dominion license warrants.

LIGHTNING AND DYNAMO CLAUSE.

New Condition 10 is also extended to incorporate the lightning and dynamo clause. In preparing policy wordings to attach to policies it will therefore not be necessary to insert the lightning and dynamo clause if all policies are to be on the Ontario Statutory Form.

Under new Condition 16 (old No. 5) goods removed to prevent damage by fire are automatically covered proportionately in the new location for not exceeding seven days. This provision is adapted from the New York Standard Form.

Where a loss claimant produces books of account and stock lists in support of his proofs of loss he must now verify their accuracy by Statutory Declaration. (New Condition 18 d.) This supplies a defect in the old conditions which required such books and documents to be produced, but did not compel the claimant to bind himself to their accuracy.

The certificate of a magistrate is no longer required upon proofs of loss. (Old 13 d omitted.)

Hereafter if the assured refuses or is unable to make proofs of loss the payee of the policy is entitled to make them (new Condition 19), but in the latter

case the company has the right to examine the assured under oath before a judge. (Sec. 201.) This clause is intended to save the rights of mortgagees and other payees where the assured refuses to take the necessary steps to prove the claim.

By new Condition 20 any fraud or false statement in proofs of loss avoids the claim only of the person making the declaration. An interesting question may arise if a fraudulent declaration is made, say, by the secretary of an incorporated company claiming under a policy.

The provisions in the old Act as to variations have been continued in substantially the same form so that companies may vary the Statutory Conditions or add to them or omit portions of them by the use of red ink and conspicuous type under the prescribed heading. In general, it may be remarked that the Act reflects a popular feeling against red ink variations and while they are not prohibited as intended by the framers of the first Bill, an effort has been made to minimize the necessity for them, as for instance, by the inclusion of the lightning and dynamo clause in the conditions themselves.

It may be noted that the Legislature have not seen fit to deal with the question of vacancy nor have they substituted the appraisal condition for arbitration as was suggested.

The above notes, of course, do not by any means exhaust the changes which have been made in the Act and indeed, as already pointed out, the changed language of the new measure renders it far from easy in a number of instances to ascertain whether the Legislature had intended or not to make other radical alterations in the law affecting fire insurance.

CANADA ACCIDENT ASSURANCE COMPANY.

The twenty-fifth annual statement of the Canada Accident Assurance Company is of a gratifying character. Under the management of Mr. T. H. Hudson, this Company last year continued the steady advance, which has been consistently reported for a number of years. A measure of the success of the operations of 1912 is to be found in the fact that at December 31 last the surplus of assets over all liabilities, including the capital stock, and after laying aside \$92,262 as a reserve against unearned premiums was \$290,007, compared with \$206,812 at the close of 1911, an increase during the year of over \$83,000. This is an excellent result upon which those concerned may be cordially congratulated.

The business of the Company again showed considerable expansion in 1912. The premiums received were \$325,609, against \$254,344 in 1911, an increase of \$71,265. The claims were \$154,358. After making provision for outstanding claims and all other contingencies, there was a balance at the credit of profit and loss account of \$88,228.

As is generally known, the Canada Accident Assurance Company is affiliated with and has all its policies guaranteed by the Commercial Union Assurance Company, Limited, the funds of which are upwards of \$115,000,000. Strong in itself, and with this connection with one of the great insurance offices of the world, the Canada Accident is in an enviable position.