

## The Canadian Bank of Commerce

Head Office—Toronto, Canada

|                         |              |
|-------------------------|--------------|
| Paid-up Capital - - - - | \$15,000,000 |
| Reserve Fund - - - -    | \$13,500,000 |

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President  
 JOHN AIRD - - - - - General Manager  
 H. V. F. JONES - - - - - Assistant General Manager

This Bank has 370 branches throughout Canada, in San Francisco, Seattle, and Portland, Ore., and an agency in New York, also branches in London, Eng., Mexico City and St. John's, Nfld., and has excellent facilities for transacting a banking business of every description.

### Savings Bank Accounts

Interest at the current rate is allowed on all deposits of \$1 and upwards. Careful attention is given to every account. Small accounts are welcomed. Accounts may be opened and operated by mail.

Accounts may be opened in the names of two or more persons, withdrawals to be made by any one of them or by the survivor.

THE

## Merchants' Bank of Canada

ESTABLISHED 1864

HEAD OFFICE, MONTREAL

|                         |             |
|-------------------------|-------------|
| Paid-up Capital - - - - | \$7,000,000 |
| Reserve Fund - - - -    | \$7,248,134 |

President.....Sir H. Montagu Allan  
 Vice-President.....K. W. Blackwell  
 E. F. Hebden, Managing Director  
 D. C. Macarow, General Manager  
 T. E. Merrett, Superintendent and Chief Inspector

211 Branches in Canada, extending from the Atlantic to the Pacific

Agents in Great Britain: The London Joint Stock Bank, Ltd.; The Royal Bank of Scotland

New York Agency.....63 and 65 Wall Street

**General Banking Business Transacted**  
**Savings Departments at all Branches**

Deposits received of One Dollar and upwards, and interest allowed at 3 per cent. per annum.

**VANCOUVER, B. C.**

Granville and Pender Streets.....G. S. HARRISON, Mgr.  
 Hastings and Carrall Streets.....G. N. STACEY, Mgr.

so subjected to legal decisions, that the meaning which our Courts attach to almost every word has been ascertained. The adoption of a new form of policy would therefore unlikely provide a fresh row of hat-pegs to await in turn legal decisions to cap them. For this reason it seems preferable to keep to our old friend the ancient form, to

".....rather bear those ills we have  
 Than fly to others that we know not of."

Most of you are doubtless conversant with the terms of a marine policy, but for the benefit of those who are not I would like to read an extract from an article which appeared in the "Saturday Evening Post" a few weeks ago by Mr. Will Payne.

No doubt, trying sophomorical experiments in shipping legislation would strike the British marine mind as a sort of temporal sacrilege; for that mind is a highly conservative institution. When Christopher Columbus was in swaddling clothes some adventurous fellow countrymen of his had drifted up to London, where they introduced the art of finance. One branch of the art consisted of insuring ships, that being a much older form of insurance than either life or fire. It is said to have been practiced in the twelfth century, and I believe there is extant an English policy dated 1555. Now the standard insurance policy on a ship to-day is substantially in the same form the Lombards drew up in the middle ages. Having a thing that works satisfactorily the British see no reason to change it.

Lloyd's, where much of the world's marine insurance is written and which for generations has been almost a synonym for shipping the world over, derives its name from an eating house which one Edward Lloyd conducted in Tower Street in the days when docks were unknown and ships used to lie in the Thames, off the Tower of London.

This singular insurance policy, as used today, begins with the capital letters S.G. in the upper left-hand corner. Nobody knows what the letters signify. Some think they stand for Ships and Goods, while other learned persons incline to the opinion that they mean Salutis Gratia. But they are very good letters, doing no harm, and nobody would think of leaving them off. The policy proceeds to declare that insurance is given—upon any kind of Goods and Merchandise, and also upon the Body Tackle, Apparel, Ordnance, Munition, Artillery Boat, and other Furniture of and in the good Ship or Vessel called the—whereof is Master, under God,——or whosoever else shall go for Master in the said Ship, or by whatsoever other Name or Names the said ship and the Master thereof is or shall be named or called.

And so on. As a matter of fact the blank for the name of the "Master, under God," is never filled in nowadays; but nobody would think of leaving the blank out of the policy. Farther along the policy reads:

Touching the adventures and perils which we, the Assurers, are contented to bear and do take upon us in this voyage, they are, of the Seas, Men of War, Fire, Enemies, Pirates, Rovers, Thieves, Jettisons, Letters of Mart and Countermart, Surprisals, Takings at Sea, Arrests, Restraints and Detainments of all Kings, Princes and People of what Nation, Condition or Quality soever, Barratry of the Master and Marines, and of all other Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the said Goods and Merchandises and Ship.

That would appear to cover every possible damage occurring through an act of war; but, in fact, no damage occurring through an act of war is covered by the insurance. They leave all the foregoing rigmarole in the policy and then cancel it by adding in red ink that all consequences of warlike operations are excepted. But the moment there is a threat of war—to say nothing of war itself—ship-owner and shipper want vessel and cargo insured against the war risk. So they pay an extra premium and the red-ink clause, which cancels the old clause, is stricken out by drawing a line through it. That seems a somewhat clumsy way to go about it, but it works very satisfactorily.

Something over a hundred and fifty years ago iconoclastic hands were raised to amend the ancient and sacrosanct form of a Lloyd's insurance policy. After profound agitation a clause was added to the policy; not, you understand, incorporated in the body of the policy—iconoclasm itself would not go that far—but tacked on at the bottom, below the signatures. This portentous innovation reads as follows:

N.B.—Corn, Fish, Fruit, Flour and Seed are warranted free from Average, unless general, or the Ship be stranded; Sugar, Tobacco, Hemp, Flax, Hides and Skins are warranted free from Average under Five Pounds Per Cent; and all other Goods, also the Ship and Freight, are warranted free from Average under Three Pounds Per Cent, unless general, or the Ship be stranded.

That sounds like an exercise in composition by Class B in a lunatic asylum, and it means substantially that the underwriters refuse to recognize petty damage claims arising under certain conditions.

(To be continued in next issue, March 17th)