COST OF "NOT TAKEN" POLICIES.

One of the American surety companies makes forcible complaint of the trouble caused by an agent when he puts out a policy on approval and fails to collect the premium :

It has been estimated that in the business of fire insurance there are at least a million and a half of policies written each year which are delivered, take effect, and then are returned through agents to be cancelled as "not taken." How many bonds and policies are returned in the same way to surety and casualty companies we cannot even estimate, but the number is tremendous, all out of reason, and represents a vast amount of fruitless labor done in soliciting, writing and entering the business, chasing up the premiums, and finally in cancelling records. While these bonds and policies are in force certain portions of annual premiums are earned but never received. They cost the companies money and the agencies also, through time and labor lost.

CHEAP INSURANCE

It is clear that this condition should be remedied, and it is also clear that unscrupulous persons can take advantage of the situation and secure protection without paying for it. Instances have been disclosed where men have taken policies in companies and carried them without paying premiums until the pressure for payment became strong, whereupon they returned their policies as "not wanted." The next step was to secure policies in other companies, with the same subsequent procedure, and by thus going from company to company to keep covered without paying a cent of premium.

All cases of "not taken" bonds and policies do not, of course, come within these conditions, but the loss to companies and agents is the same whether the "not wanted" is honest or a blind.

CREDIT SHOULD BE RESTRICTED

The remedy, under present conditions, must lie largely with the agents, who owe it to themselves as well to their companies not to deliver policies "on approval" in the fond hope that they will stick, even though the prospects have clearly shown themselves averse to carrying the insurance. It is also the agent's duty to restrict his credit to clients, so that the payment or non-payment of premiums may be brought to a prompt issue, thus obviating the possibility of policies remaining in force over long periods with ultimate failure to collect any of the premium.

Credit in the insurance business is bound to be an issue of growing importance for both the companies and agents. Legislation has been attempted to regulate it, and further steps in this direction will undoubtedly be taken. In the meantime let us use common sense and care under conditions as they are, and thus mitigate present evils to the best of our ability.

QUEEN INSURANCE COMPANY OF AMERICA.

The examination of the Queen Insurance Company of America by the New York Insurance Department has been competed and the report shows that on March 31 the company had total admitted assets of $9,992,937. The unearned premium reserve is figured at $4,611,970, and the reserve for outstanding losses, $512,971. The examiners, after allowing for other liabilities, give the company a net surplus on that date of $3,714,446.

LIGHT JULY FIRE LOSS.

The losses by fire in the United States and Canada during the month of July, as compiled from the records of the New York Journal of Commerce and Commercial Bulletin, were unusually light, aggregating only $9,006,800, as compared with $17,539,800 for July last year, and were less than half the figures charged aga nst July, 1913, when the record showed a total of $20,660,900. The losses for the first seven months of 1915 reach a total of $102,397,800, as against $150,558,050 for the same time in 1914. The following table gives a comparison of the losses by fire for the first seven months of this year with those of 1914 and 1913, together with the monthly losses for the balance of 1914 and 1913 :

	1913.	1914.	1915.
January.......	$ 20,193,250	$ 23,204,700	$ 20,060,600
February.....	22,084,600	21,744,200	13,081,250
March........	17,511,000	25,512,750	18,786,400
April.........	16,738,250	17,700,800	18,180,350
May..........	17,225,850	15,507,800	11,388,450
June.........	24,942,700	29,348,000	10,893,950
July..........	20,660,900	17,539,800	9,006,800
Total 7 mos..	$129,356,550	$150,558,050	$102,397,800
August.......	21,180,700	11,765,650	....
September....	17,919,300	14,383,050	....
October.......	14,932,750	14,004,700	....
November.....	15,207,600	21,372,750	....
December.....	16,128,450	23,507,150	....
Total for y'r.	$224,723,350	$235,591,350	....

There were during July this year 190 fires, each causing an estimated property damage of $10,000 or over, as compared with 207 such fires in June and 248 in May.

It is very evident, says the Journal of Commerce, in commenting upon these figures, that the insurance companies have had a profitable experience as regards fire business this year, but quite a number of them have lost their fire profits through the abnormal losses by hail. Hail insurance is written by many fire companies and the 1915 season is the worst for many years. In fact, some companies have lost three times as much as their gross hail premiums.

MUST PAY CLAIM ALTHOUGH PREMIUM WAS OVERDUE.

The Supreme Court of the State of Washington has held that insurance companies selling month-to-month policies, with the provision that the contract is terminated by the failure to pay the premium promptly on the first of the month, waive the strict letter of the contract by the employment of a collector. In this case the plaintiff stated that the premium was ready by November 1, and that on November 2 the insured died and the collector did not call until November 3. The court holds that the employment of a collector by the company is sufficient to presume that the company waives the strict letter of the contract.

It is stated that those of the French life companies, whose policies give them the power to claim a second year's extra premium to cover war risk have announced that they wil not make the charge and that the extra premium already paid will be considered as covering the war risk during two years.