

chiefly frame ones, as compared with the district where all the buildings are brick or stone. The immunity of the frames is probably attributable to the premises being more completely under the eye of the tenants all the time. They have no heating apparatus partly out of sight, nor furnace rooms, nor such operations going on as bring risk to more substantial premises, nor are they deserted at nightfall. If the "row of brick buildings" our contemporary refers to had been as carefully protected as the frame row it would also have been saved. In this matter "good care" spells "good-luck." The Coast Review also remarks: "What insurance man cannot point out poor physical hazards which have never even been threatened by fire? He can also recall numerous gilt-edged-brick risks which went down before flames kindled within their own walls." Surely, it is not contended that when flames are kindled within the walls of a brick building that the fire was caused by "luck," or arose from some non-preventible origin? Or, that poor physical hazards are ever kept from fire by "luck," apart from precautions taken against such a calamity? Like causes will ever produce like effects. Carelessness, in some form, is the cause of all fires. What is termed "luck" is always the effect of some cause, which, however obscure, was antecedent to the condition or the circumstance attributed to "luck." It is not in the interests of fire insurance for policyholders to be encouraged in the belief that, whether their property burns or is saved from fire is a matter of luck. Fire underwriting is not guess work, after all, with a slight margin for moral and physical hazard."

Rates on Department Stores.

The Colonial Assurance Company of New York, which wrote risks last year to extent of \$28,813,575, reserved \$250,623 for premiums, and paid \$359,798 for losses, seems to regard department stores as unduly responsible for such excessive losses. It has issued a circular to its agents which is given in the New York "Journal of Commerce" as below. It will be noted that the company considers that the losses from defective electric wiring have been exaggerated.

"For some time past the losses on retail dry goods and department stores have been very frequent and disastrous. Many causes and hazards combine to produce this result. Defective electric wiring has been the cause of many fires, although we think that this feature has been exaggerated. The modern department store combines the hazard of a large area of sensitive stock with that of touching up and upholstering of furniture, various manufacturing, packing, restaurants, exhibiting of gasoline

stoves and numerous other processes more or less dangerous. "As it is unlikely that we can ever make up what we have lost on this class at the prevailing rates, and as there seems no probability of the rates being placed on a paying basis, we feel that we must either decline to write such risks or obtain premiums therefore which will more nearly pay the losses. We have therefore fixed the following minimum rates, and desire our agents to decline any and all lines on retail dry goods and department stores when the same cannot be obtained: On brick buildings or contents having a ground floor area of 10,000 square feet, charge \$2.25, on brick buildings or contents having a ground floor area in excess thereof, for each 1,000 square feet in excess, charge 25 cents. These rates do not apply to risks equipped with automatic sprinklers."

Another phase of Non-insurable interest.

The question as to what constitutes an "insurable interest" has shown another phase, the decision in regard to which by an American Court adds one more to the numerous judgments declaring the insuring by one person of the life of another is not valid unless the insurer has an insurable interest in the life he insures. A person named Reynolds insured the life of his brother in the Prudential Insurance Company, for his own personal benefit. The insured having died soon after the first premium had been paid suit was brought in a lower Court to secure payment of the claim and a verdict given against the Company. The case on appeal to the Missouri Court of Appeals brought out the following judgment.

"We are of the opinion, that adult brothers, neither dependent upon the other, have not from the mere relationship an insurable interest in the life of the other, and therefore neither can make a valid contract of insurance insuring the life of the other for his benefit. But, in view of the distinction aforesaid, either may insure his own life for the other. We find from the record that there was evidence tending to show that the plaintiff himself insured deceased's life for his own benefit, and paid the premium, which, on account of the early death, was the only one paid. It is true there was evidence tending to show that deceased paid the amount back to the plaintiff. But we are of the opinion that in a case where one insures the life of another in whom he has no insurable interest the void contract will not be validated by the after-thought, or consideration of the insured reimbursing him for the premium paid. The judgment is reversed."