

the two statements are seldom, if ever, compared. In one case recently, when the fire occurred in perhaps the most highly rated and hazardous building of the whole risk it was found on comparison (it chanced that in this case the original values had been secured by the Company) that as compared with the Insured's statement on which the rate was based the values in the building affected by the loss had almost trebled: the rate remained the same but the loss had to be paid in full. Of course the rating statement was some years old. But no amount of explanation will put premium in the Company's revenue after a loss which, because of our system of rating, is allowed to remain uncollected. I think you will on careful study and reflection agree that Blanket Insurance costs the Companies annually many thousands of dollars in premiums. The remedy is simple. A periodical statement of values should be required from all Insured who hold Blanket Policies, Monthly, Quarterly or Semi-Annual and the rate for the *succeeding* year revised before renewal. The *average* of these monthly or quarterly statements would probably give a much fairer basis for rating. If a Firm's insurances fall due at a time when their Stocks are high in a hazardous part of the risk they may be penalized unfairly, whilst if the contrary is the case the Companies may get a less rate than they are entitled to.

One other point, I do not think that 90% Co-insurance is sufficient. 100% should be required: it would be just as easy to get as 90%. And further the use of 5% Waiver (for in practice it is just as complete a waiver as the 2%) should be discontinued or a limit of amount introduced. Some of our present day schedules run to two, three or four millions of dollars: in the case of a million dollar Blanket Wording we permit a \$50,000. loss without ascertaining precisely whether the Co-insurance Clause has been complied with. Where there is anything like protection it almost savours of Specific Insurance.

It seems useless to dwell on the extension of cover to 100 ft. beyond the risk itself. I suppose we have to be thankful on the whole it is no worse, and that we do not have to grant, as some of our competitors from other Countries make a practice of doing, Tornado, Windstorm, Sprinkler Leakage or Automatic reinstatement (up to a limit) free of charge.

The customary permission for oils, materials and supplies is granted "on the premises". Would it not be better to restrict supplies of oils to the Oil House or Engine Room?

The following efforts at negation of the principles of policy writing seem just about as choice as I have yet seen, written no doubt, with the intention of handing the Insured something tangible in

the form of "Service".

"It is understood and agreed that the conditions of this policy relating to matters before the happening of any fire, breach of which would disentitle the Assured to recover, shall be read distributively, so that, in the event of fire, breach of such conditions in any portion of the property, neither damaged nor destroyed, shall not disentitle the Assured to recover in respect of claim for loss to other portions of the property hereby covered that are damaged or destroyed by said fire, but in which no breach of such conditions have occurred.

It is understood and agreed that any error in the description or location of above described property shall not work to the prejudice of the Assured. Also that the vacancy or inoccupancy of any building insured under this policy shall not vitiate the insurance on same."

Breach of Warranty occurring at any time prior to the date of fire on the premises hereby insured shall not be held to prejudice the interests of the Insured.

Quebec Statutory Condition 7 is sometimes singled out for special notice and these words included in the wording "including property excepted by Statutory Condition 7" You remember Condition 7 refers to plate glass, etc., uncoined gold or silver, works of art, etc. As to whether the above reference is sufficient to include these articles in the insurance is doubtful. The condition says they are not included unless *specially mentioned*. Above, the condition is merely referred to.

MONTREAL SECURITIES CORPORATION

Mr. E. J. Beauvais has been appointed as assistant to Mr. F. J. Knox in the insurance department of the Montreal Securities Corporation. Mr. Beauvais was previously connected with the Liverpool & London & Globe for many years and for some years latterly as the Company's inspector for Montreal.

The Montreal Securities Corporation are general agents for the Globe Indemnity Co. (Fire Branch) and Mr. Beauvais, long experience with the parent Company, the L. & L. & G. will no doubt prove beneficial to all concerned.

THE NORTH EMPIRE FIRE INSURANCE COMPANY

Policies guaranteed by the London
Guarantee & Accident Co., Limited,
London, Eng.

HEAD OFFICE, PARIS BLDG., WINNIPEG
TORONTO OFFICE: 218 CONFEDERATED LIFE BLDG.

J. E. HOUNSOM, Manager