

compelled to protect their policyholders, but a "mutual" company is allowed to slip through a loop-hole in the act, and leave its policy-holders in practically the same condition as all others assured with it. Surely our legislators can hardly be aware that any American Mutual Company which can by any means get a certificate of solvency from a state department, can enter Canada and swindle our people to its heart's content. We do not mean to imply that the American Companies are as a whole unsound. Not at all. It is undeniable that most of the companies now in existence across the lines are sound, flourishing and honorable. But in the light of so many failures there within the last ten years, and the revelations of corruption and rottenness attending them, is it wise to leave the field open to such concerns? Some may advise stricter Government supervision, but this would truly be a medicine worse than the disease. Supervision in the States has probably not prevented one failure, while it has on the other hand placed many companies which could have been redeemed in the hands of receivers, and the policyholders money in lawyers' pockets. This is entirely apart from the injury it has done by giving certificates to bogus companies. No, the remedy is to compel all foreign companies, whether mutual or not, to give the same protection to Canadians that Canadian companies give, and keep enough of their funds here to do this; section 2 of clause 16 of the Act of 1877 should be struck out of the Statute Book, and we hope this will be done at the next session of Parliament.

The recent attempt of the New York Receiver of the defunct Globe Mutual Life, to strain this clause, to which we have just referred, to include "with profits" policies of stock companies, is simply scandalous, and our Courts should discountenance all such attempts to divert deposits from their proper use. The company in question had advertised extensively that its Canadian policyholders were absolutely protected by the \$100,000 at Ottawa, which was for their exclusive benefit; but when the time comes to put these promises to the test, there is a protracted and tedious lawsuit over the matter. We are glad to be able to say that this attempt has very poor chance of success, but it shows what care must be taken by both legislators and assurers when dealing with foreign corporations.

There is no doubt that the only feasible, inexpensive, expeditious, and just way of protecting policy-holders is by re-assurance. The interest of a man's life who has become unassurable since entering, is certainly much greater in the company than that of a man holding a similar policy, who, however, still enjoys good health. In no other way can justice be done to all parties. We understand that an amendment is about to be made to the present law, and we trust that this will be the course it will direct shall be taken in any future case of insolvency. At the same time provision should be made to conclude all arrangements connected with the transfer as speedily as possible. Three months after the insolvency should be more than ample time in which to complete everything.

MARINE.

The Canadian Lake Underwriters' Association, composed of the following Companies: British America Co., Western Assurance Co., Phoenix Insurance Co., of Brooklyn, N.Y., Royal Canadian Insurance Co., and Anchor Insurance Co., has adopted the following hull rates and rules for the current season. Agents of the said companies are required to adhere strictly to the rules and rates herein named; further, they are particularly requested to notify their respective companies of any marine business transacted in Canada by insurance companies not licensed by the Government, in order that the same may be prosecuted according to law.

The tariff on hulls is *net*, and the rates are based upon the classification of 1881. Season commences April 1st and ends November 30th, at noon.

	A1-A1½	A2	A2½	B1	B2
Steam and sail vessels—iron or wood.....	5	6	6½	8	10
Tugs, with harbor, river & lake privileges	4	4	5	6	•
Tugs, with lake and wrecking privileges...	5	5	6	7½	•

*Against total loss only.

For yearly risks, under marine policy add ½ per cent. additional for winter.

Deduct ½ per cent, for *no fire risk* on steamers *only*.

RULES.

There shall be no suspension of the policy nor any rebate allowed for vessels laying up during the existence of the risk. This, however, shall not be construed to interfere with the cancellation of the policy, or with the surrender of the same, during the term for which it was issued, or during the balance of the season in which said policy first attached, in conformity with the cancellation rules noted below.

EXTENSIONS.—For any extension after Nov. 30th, two per cent. for *five days*, or any part of five days, on sail, and one per cent. on steam vessels. No return premium to be allowed.

Vessels classing B2, to be insured *against actual total loss only* at the above rates on this class, without deduction.

Against total loss and general average only, deduct 10 per cent. from foregoing rates *on vessels not classing below B1*.

Against total loss only, deduct 20 per cent. from foregoing rates *on vessels not classing below B1*.

Iron vessels may be insured with a stipulation on the face of the policy that the deduction of one-third new for old, shall be waived so far as it relates to iron *hulls* proper.

DEDUCTIONS.

For April expired, 10 per cent. of season rate.

For May expired, 15 per cent. of season rate.

For June expired, 20 per cent. of season rate.

(No deductions for partially expired months.)

CANCELLATIONS.

May having expired, return 70 per cent. of premium.

May and June, 60 per cent. of premium.

May, June and July, 50 per cent. of premium.

May, June, July and August, 40 per cent. of premium.

May, June, July, August and September, 30 per cent. of premium.

May, June, July, August, September and October, 20 per cent. of premium.

(No allowance for partially expired months.)

The policy must be surrendered cancelled, or a written stipulation that the policy is void given to the company on or before the date of cancellation, to constitute such cancellation.

MAXIMUM PROPORTION OF INSURANCE ON HULLS.

No valuation to be less than 80 per cent. of the value expressed in the register.

On vessels valued at \$5,000 and under, two-thirds of value.

On vessels valued at over \$5,000, and less than \$10,000, three-fourths of value.

On vessels valued at \$10,000 and over, four-fifths of value.