AN INTERESTING CASE.

A recent verdict of $500 against a firm of New York City insurance brokers presents some novel questions and situations. In brief, the brokers had secured a policy for a client on his stock. When it expired, in May, 1918, they had it renewed. On August 20th it was canceled directly by the company for nonpayment of premium. On September 20th, the client sent the brokers a check for $19.50 in payment of the premium, but it came back dishonored. On September 25th, the client paid the brokers in cash. They went to the company to make payment and found that the policy had been canceled. They claim that they endeavored to get the company to reinstate the policy, but this was refused on the ground that the risk had been inspected and found undesirable. The brokers claim that they continued their efforts to obtain a policy and notified their client of the situation. The client claims that he was not so advised. On October 22, 1918, the client suffered a fire loss and brought suit against the brokers for negligence and breach of trust. A jury in the Municipal Court brought in a verdict of $500 against the brokers. The Insurance Monitor says:—If the facts are as stated, insurance men may well wonder what is expected of a broker The insurance department will not allow him to write insurance himself, and if he is to be held responsible for the refusal of a company to insure a risk which he has undertaken to place, his position is unenviable. It is difficult to see by what process of reasoning the jury placed the blame in the case cited upon the broker, in view of the obvious negligence—to put it midly—of the client.

CONTINENTAL INSURANCE COMPANY OF NEW YORK.

The one hundred and thirty-third semi-annual statement just issued by the Continental Insurance of New York, shows total assets $39,009,088, indicating a growth of over $2,500,000, since the first of the year, while the unearned premium reserve has been increased by over $350,000 to $14,206,474.

The Continental has a surplus to policyholders of $21,559,997 (including capital of $10,000,000) The improvement now prevailing in the hight class securities held by the company, is reflected in its statement, coupled with the good results in its underwriting for the six months. The security to policyholders is probably unexcelled. The Canadian business under the management of Mr. W. E. Baldwin is making rapid progress.

LIEUTENANT H. VAUGHAN.

Among the military arrivals on the "Corsican" last week was Lieutenant H. Vaughan, who is to be Ordinary Branch Manager of the Mutual Life and Citizens' Assurance Coy. He is an Australian by birth and was credited with being the youngest student who ever passed the F.I.A. examinations. Before the war he was an assistant actuary at the Head Office of his company in Sydney, New South Wales. In July 1915 he left for service overseas with the artillery and has since served on almost every type of gun from 15 pounder to six inch. His first wound received in May last year in front of Albert was slight, but later on in September a shrapnel bullet was encountered during the attack on the Hindenburg Line, with the result that he has only just been discharged from hospital. In July, 1916, Mr. Vaughan was officially reported as killed in action but, like Mark Twain, he regards the report as an utter exaggeration. Unfortunately too it was corrected before he had time to collect on his policy.

A COMPARISON.

The recent $30,000,000 offering of the Government of Switzerland's 5½ per cent. bonds placed in New York is selling on the market there on a basis to yield 6 per cent. The proceeds of the issue were devoted to the purchase in the United States of supplies for Switzerland, and no part of the funds will be taken out of the country.

The $75,000,000 Canadian loan, bearing the same interest rate, was sold on a 5.90 basis, with the yield at current market rates rather under this level. The bonds and notes were issued to retire maturing obligations of the Dominion in the United States, with an adverse exchange rate of nearly 4 per cent. against Canadian funds. A comparison of the two cases does not bear out the contentions of those who criticized the Canadian Finance Minister for his generosity towards J. P. Morgan & Co., and their associates.

PERSONALS.

Mr. S. G. Rankin, who was recently appointed Superintendent of the Casualty department of the Alliance Insurance Company at the head office for Canada, Montreal, was previously connected with the Canada Accident, as superintendent of its Casualty Underwriting department for the past six years.

SIR GEORGE PAISH PESSIMISTIC.

The remarks of Sir George Paish, the British economist, who views the financial outlook with pessimism, occasioned some comment in Wall Street this week. His statement that the collapse of the world's credit was near was not taken seriously in well informed banking circles, although it is admitted that it is under a greater strain than ever before. He says that British credit cannot recover until the gold export embargo is lifted, and thinks that exchange may continue to fall until it reaches $4. Some bankers would not be surprised if his predictions on this are fulfilled.