

of the *owner or Mortgagee*, the Company shall only be liable for a ratable proportion of any loss or damage sustained."

but sometimes an effort is made to apportion the total loss between insurances actually payable to the Mortgagee and bearing the Mortgage Clause. There are some arguments which may be advanced in favor of such a change; but between Companies, I think there are more arguments "con" than "pro". The point becomes an active issue when some violation of condition has arisen, at, or previous to a loss. The Mortgage Clause protects the Mortgagee but should there be some additional insurance written without that Clause, the Company issuing that insurance may be disposed to take advantage of the breach of conditions. Policies on the same risks would wherever possible be concurrent in every sense.

As a point of academic interest you observe the use of the word "ratable" in the Mortgage Clause. In other places the word has been a storm centre of argument, and I refer you to the works of Mr. Hore and Messrs. Laird on Loss Adjustment if you feel sufficiently interested to follow the various contentions. The contribution clause in the Quebec Act says, 'ratable, without reference to dates of the different policies.'

One rather peculiar case of partial owner or excess insurance arises in covering Whiskey in Bond. The Warehouseman insures his responsibility which may cover up to the amount of his receipt. The excess of increased value between date of bonding and time of fire may be covered by the owner as an Excess Insurance. A special clause in the policy would read somewhat as follows:—

"It is declared and agreed that the insurance hereby is limited to the excess value only of the said stock in trade, that is the difference between the invoice value for which the Distillers or Warehousemen having custody of the said stock in trade are responsible and the Market Value at the time of the fire, and it is further hereby declared that if in the event of fire there be paid by this or any other Company to such Distillers or Warehousemen on any of the above Whiskey any sum exceeding the original invoice price thereof, then this Company shall be liable only for the difference between the actual market price of such Whiskey and the amount paid as aforesaid."

#### GENERAL WORDINGS.

The wordings most frequently used are those for stores and dwellings. Within recent months there have been prepared by the C. F. U. A., a series of "Uniform Forms" or wording, uniform in the

sense that their use is common to the Tariff Companies. In many ways this is a step forward, apart from the question of economy and convenience, in their production and use. It would be well to make a careful scrutiny of each of these forms as they differ in some respects from those of many individual offices. For example, the words emphasized as very desirable by Mr. Lavery "only while occupied as" and "only while contained in" are found in the building and contents forms. The removal enforcement covers both locations for five days subject to distribution. The transfer of interest forms for absolute transfer, mortgage interest, and collateral, are merged into one, which will I think prove ultimately unfortunate. Insurances on building specify "on the building *only* of the..... Dwelling—Store—Factory", removing the doubt as to whether we cover building or contents or both when the policy reads "on the.....dwelling.....store.....factory." Additions are restricted to "communicating and in contact therewith". Detached outbuildings have been held to be additions, but it could not possibly be so under our wording. The Vacancy Permit says "vacant or unoccupied". But these are after all details: the principle is excellent and one would like to see it extended and applied to manufacturing and mercantile risks. For example in British Columbia there is a special Tariff Wording for Printers and Lithographers. Every trade has its peculiarities and we hope to see a special, mandatory, form of Tariff Wording for each trade or business with a well expressed definition of each item covering Building, Machinery, Stock, etc. Speaking of B. C., you will find the Mainland Board Tariff Book worth perusing.

#### BLANKET WORDINGS.

Now gentlemen, I am somewhat at a loss how to deal with this particular item. Like the poor, I am afraid we shall always have it with us and therefore, let us see if anything can be done by way of improvement, in wording or rate.

A Blanket Rate in the minds of some people is confused with a reduced rate. Theoretically that is incorrect, because at the time the rate is issued the average values of and in the different buildings are taken separately and the rate fixed therefor charged on these stated values. (Please note I am not now referring to completely sprinklered plants. These latter are a law unto themselves.)

In actual results I think it would not be difficult to prove that these blanket rates, according to our general practice of to-day are *actually cheaper* to the Insured. The Insured's statement of values in each building is furnished the C. F. U. A., and seldom if ever reaches the Companies. When the loss occurs the Adjusters report, giving values on which claim is based is sent to the Companies and