

LAPSED POLICIES.

An English contemporary, "The Insurance Guardian," recently drew attention to the case of a policyholder who lost the benefits of an assurance, after having been insured for over six years, by the premium being four days late in reaching the company. Owing to the negligence of the policyholder's cashier, the money was not despatched until just after the days of grace had closed, and a medical examination was required before any decision was arrived at as to reinstating the policy, a slight organic defect was then revealed which was held to be sufficient to justify the company in refusing to renew the contract.

The case as above stated seems somewhat hard on the policyholder. The "slight organic defect" may reasonably be regarded as having developed in the six years after the policy was originally issued. In this case the refusal to renew the policy was based upon conditions non-existent when it was first issued, but the risk of which, as in all life policies, was covered by the contract, and the contract would have been valid had the premium not been delayed four days.

The majority of British offices allow policies of five years' standing to be revived without medical examination, within a year from the expiration of the days of grace, on payment of the amount in arrear, and a small fine. Indeed, some British life companies hold a policy good so long as the surrender value is sufficient to cover the current premiums.

In Canada when a policy has absolutely lapsed, the general rule is, to require satisfactory evidence as to the health of the policyholder before reviving the policy, but we doubt if any company in Canada would consider a policy to have absolutely lapsed simply because the payment of the premium was four days late in reaching the company. One company in Canada will revive a policy without a certificate, on the policyholder paying \$1 per month for each \$1,000 of assurance.

Our contemporary says:—

"In regard to the course taken by some offices in re-examining into the physical condition of a policyholder whose policy, through, say, forgetfulness, has become lapsed, we do not hesitate to condemn the practice."

It is certainly desirable that uniformity of practice should prevail in the matter of reviving lapsed policies. A rule which, after thorough discussion, is adopted by all the companies, is more likely to be equitable to the policyholder and just to the company, than the individual rules adopted by a number of companies.

* THE EASTERN LIFE ASSURANCE CO., OF CANADA, will ask for an Act of incorporation this session of Parliament.

INSURANCE INSTITUTE OF MONTREAL.

The following Circular has been issued, dated 30th March, 1904:—

The Governing Council begs to announce the result in the Prize Essay Competition as follows:

For prize offered by this Institute, open to all Associate Members (not members of Governing Council), on subject: "Government Supervision of Insurance Companies:

First prize \$30.00: B. W. Newton Grigg, of the Sun Life Assurance Company.

Second prize \$20.00: George A. Dunlop, of the Standard Life Assurance Company.

For prize offered by R. C. Wilson-Smith, Esq., open to all Associate Members under twenty-one years of age, on the subject: "The Origin and Development of Insurance in all its branches":

First prize \$15.00: R. J. Dean, of the Norwich Union Fire Insurance Society.

Second prize \$10.00: G. A. Fleet, of Dale & Co.

The president, Mr. T. L. Morissey, has donated a third prize of \$5.00, in this latter competition, to James M. Morris, of the Liverpool & London & Globe Insurance Company.

These essays will be read at the meeting of the Institute, to be held in the Natural History Society Hall, University Street, on Thursday evening, April 7, at 8.15 p.m. sharp, when it is hoped that there will be a good attendance of members and friends.

GEORGE LYMAN.

Hon. Secretary.

As THE CHRONICLE for this week will be printed at the time the above meeting is called for, we shall have to defer a report of the proceedings and of the papers read until next week. Meanwhile, we tender hearty congratulations to the several prize winners, and hope their success in this venture is a forecast of greater in years to come.

The Club-rooms of the Institute have been moved to Room 38, Inglis building, 2381 St. Catherine Street.

CANADIAN FIRE UNDERWRITERS' QUARTERLY MEETING.

The regular quarterly meeting of the above Association was held in Toronto last week. In the absence of the president, Mr. G. F. C. Smith (who is recuperating in Atlantic City, after his late illness), Mr. M. C. Hinshaw, vice-president, occupied the chair. Reports from the specific rating committee, for some half-dozen towns in province of Quebec were presented to the meeting.

The Eastern incendiary committee reported, that they were successful in one of their prosecutions, in sending the culprit to jail for five years.

Mr. Waugh, president of the Manitoba Board, and the secretary, met the Association as a deputation to represent the feelings of their Board, on certain Manitoba matters, chiefly relative to the organization and working of the Manitoba Board.

It was felt by the majority of the members of the Association that they should meet more frequently, and it was agreed that monthly meetings be held alternately in Montreal and Toronto, thus presenting