tion, however, there had been no relaxation of the cautious policy which had hitherto been pursued by the directors. It would be hazardous at present to venture any opinion as to the prospects of the present year; at the same time he might remark that the year opened very favorably, and encouraged the anticipation of a good result. It would no doubt be perceived that the percentage of loss on fire premiums had exceeded the ratio of last year; and it was to be regretted that some steps had not been taken by the Government for the establishment of some board of investigation, with a view to trace the origin of fires. Until some such step was taken he feared they would not be able to reduce the average of losses in connection with their fire business. The directors, although satisfied with the favorable result attained, had investigated, and would continue to investigate, each description of business, with a view to improve still further the general result. With regard to the life business of the company, the progress made might also be considered to be satisfactory, as the new premiums showed an increase over those of the preceding year, and the accumulated funds of that branch now exceeded the large sum of two millions.

Transfer of Interest in Life Policies.—The following clause was added to Mr. Carter's Bill in Committee of the Quebec Legislature:—"Notwithstanding, and without prejudice to articles 24, 82 and 25, 91, of the Civil Code, any person whose life is insured, may by notarial or other instrument in writing, and without any inducement on the policy, assign and transfer as collateral security for money or otherwise, any portion of the interest in the said policy not less than one fourth thereof. Such transfer, when duly served upon the insurer or his agent, shall be binding on the said insurer, if at the time of the service, the policy shall have been produced, and he or his agent shall have been allowed, if he thinks fit, to make an entry thereon of such transfer; and thereupon, whether such entry shall have been made or not, the transferee shall have the same claim against the insurer as he might have had if the transfer had been made upon the policy, and he were the holder thereof."

A Misnomer.—We notice frequent allusions in the advertisements and year books of American Life Insurance Companies to their "non-forfeitable" policies. The phrase, so far as the non-forfeiture of a policy *for any cause* (assuring ahead the payment of annual premiums) is a misnomer as applied to American policies. In every stage and age of a policy it is forfeitable for fraud in the original application, whenever that fraud is discovered. Policies, are also, always forfeitable in case of the violation of any one of the several "conditions" named in the body of the policy, such as suicide, traveling without special permission beyond specified limits, &c. Therefore, in American practice, a non-forfeitable policy is a misnomer.

The *Prudential*, a wealthy London life office, with an income of $1,075,000, has recently resolved to issue policies that shall be "unforfeitable, unconditional and unchangeable," for fraud, non-payment of premiums, or any other cause. The purpose is to make a policy of insurance an absolute negotiable mercantile security, good for its face in the hands of every bona fide holder for a valuable consideration. Besides every policy will expressly state what sum can at any time be withdrawn on the discontinuance of it.

The assured will thus always have the option of retaining either an ascertained fixed sum payable at decease, or, in case of need, of withdrawing a certain amount, according to the duration of the policy, such amounts being set forth on every policy, and rendering unnecessary any future reference to the company on these points, as is the case with ordinary assurances. Creditors, bankers, capitalists and others, who are in the habit of making advances collaterally secured by life policies, will find this form of policy a convenience, as they can at any time learn, by mere inspection the exact value, either immediate or reversionary. Every policy issued on this plan will be without any conditions as to voyaging, foreign residence or other usual limitations. By this freedom from restrictions of all kinds, the policies will become at once positively valuable as actual securities. The number of premiums is strictly defined. The longest term provided for is twenty-five years, and the shortest five years, as shown by the tables Thus, bankers, creditors, and others, holding policies of this class as security, may always know the utmost amount they may be called upon to advance so as to maintain the full benefit of the assurances. The Prudential's policies being unforfeitable and unconditional, they will be unchallengeable on any ground whatever. They may therefore be aptly termed absolute security policies.—*Insurance Monitor.*

—The Directors of the Reliance Mutual have appointed Mr. Hugh Gibson, late of the Standard, resident secretary of that company in Glasgow.

ASSOCIATION OF CANADIAN LAKE UNDERWRITERS.

A meeting of this Association was held on the 24th inst., to take into consideration certain matters relating to the practical working of certain clauses of the Insurance Act of last Session.

Correspondence was read from the Marine Department, Ottawa, in reference to the petition for an amendment of the existing law for the regulation of inland navigation.

A number of questions were raised respecting the clause affecting Marine Insurance Companies. It was considered desirable that some steps should be taken to determine whether a Marine Company allowed by law to transact Ocean, but not Inland Marine Insurance, can legally insure a vessel from Toronto to Liverpool, or even from Toronto to Halifax; also whether it is Ocean or Inland Marine Insurance from Montreal to Quebec. Instances were given in which the provisions of the act had been deliberately violated by agents who have canvassed for and obtained risks for foreign companies, not having any deposit in Canada, and received the premiums on this side of the lakes. It was considered, that the fact of the policies being issued on the other side, does not protect such agents from the guilt of violating the law, but makes them liable to the penalty mentioned in clause 13, which says: "Any person who shall deliver any policies of insurance, or collect any premiums, or transact any business of Insurance *** shall be liable to a penalty of one thousand dollars."

The companies composing the Association decided, for the present, not to prosecute parties so violating the law, but merely noted the cases of which they possess uncontrovertible proof, until the whole matter is fully investigated, when proceedings will be taken against all who continue to disregard the law, and to render themselves liable to the penalty it imposes.

THE NEW YORK STATE FIRE INSURANCE COMPANIES.

From the official returns of the Fire Insurance business of this State we have the following statistics up to December 31, 1868:

Chartered capital paid up	$28,911,232
Total assets	49,704,334
Net cash premiums	22,774,624
Total income	26,039,098
Total losses in 1868, as reported	12,948,257
Disbursements in 1868	22,602,423
Expenses of management	6,486,544
Liabilities	11,818,174
Surplus over reinsurance and capital	9,249,722
Gross amount of fire risks written	2,534,683,704
Total cash dividends declared	2,740,536
National and State Taxes	1,257,679

By the tables of the New York Insurance Department, from 1859 to the present time, we find for nine consecutive years the following result:

Year.	Capital.	Dividends.	Per cent.
1859	$20,007,000	$2,851,722	14.25
1860	20,482,860	2,469,090	12.05
1861	20,282,860	2,111,788	10.41
1862	20,432,860	2,043,898	10.00
1863	23,632,860	2,024,742	8.56
1864	28,807,070	2,483,370	8.62
1865	31,557,010	2,621,284	8.30
1866	30,649,660	2,073,375	6.76
1867	28,561,232	2,416,354	8.46
Total	$224,413,412	$21,095,628	9.40

—showing a decrease in per centage of average dividends from 14.25 per cent. in 1859, to 6.76 per cent. in 1866, the year of the organization of the Board, and 8.46 per cent. for 1867, the first year of its efficient working, and a general average for the entire nine years of only 9.40 per cent.

We also find that the per centage of losses on net premiums have increased from 42.57 per cent. in 1859 to 76.08 per cent. in 1866, as will be seen from the following table:

Year.	Premium.	Losses.	Per cent.
1859	$6,299,688	$2,681,986	42.57
1860	7,261,595	3,984,441	54.87
1861	6,827,736	3,771,189	55.23
1862	7,742,190	4,679,323	60.44
1863	10,181,030	4,189,673	41.15
1864	15,818,663	8,737,600	55.94
1865	17,052,086	12,046,793	71.38
1866	20,786,847	15,312,751	76.08
1867	22,071,638	14,423,122	65.33
Total	$113,841,418	$69,826,880	61.33

DAMAGES BY REMOVAL.

An "Adjuster" writing to the *Insurance Monitor* on this subject, says:

First. As against loss by fire, the underwriter is sole insurer, but for the damages by removal, the owner of the property is co-insurer. It is precisely as if one insurance company insured against loss and damage by fire and damages by removal, and another company insured the same property against damages by removal only. Or it is the same as when one company insured on flour and pork, and another company insured on pork only. The former pays the loss on the flour first, and the balance of its policy contributes with the other policy for the loss on the pork. This rule, I believe, is uniformly conceded and adopted, and it is fully sustained by the Supreme Court of Missouri in case of Augefrodt & Barth *vs.* Delaware Insurance Company. This case was decided in 1862, and seems so conclusive on the point that it has not since been questioned. Bearing in mind that as against damages by removal, the owner stands co-insurer, precisely as though he were another insurance company, "Tother side" must be careful about "inverting the order of adjuster's calculation," lest he "hoist by his own petard." Suppose A insures $5,000 against loss and damage by fire and damages by removal, and B insures $5,000 on the same stock against damages by removal only. Value of the stock $10,000. A loss happens by burning, say $4,000, and damages by removal $3,000. Now apply "Totherside's" rule. 1st. A contributing on $5,000, with B $5,000 to the damages by removal. $3,000, one half $1,500, would leave but $3,500 to pay the loss of $4,000 by the burning. But let us look again at the original example stated, and which is the subject under criticism. Here Underwriters had a risk against fire of $5,000, on $10,000 worth of goods. A fire happens, by which $3,000 of the goods are consumed; this loss falling wholly on Underwriter. Now what interest did Underwriter have in the goods saved? Or how much would his loss have been increased had the whole stock been burned? Manifestly he had but $2,000 in trust in balance