

REINSURANCE IN UNLICENSED COMPANIES.

Mr. Finlayson, the Dominion Superintendent of Insurance, has addressed the following letter to the Canadian fire companies:—

In the annual statements of Canadian fire insurance companies made to the Department, the reserve on business reinsured in unlicensed treaty companies has heretofore been allowed as a deduction from the total reserve, but the companies have as a rule made arrangements with their reinsuring companies for the retention of a sufficient percentage of the reinsurance premiums to cover the reserve. In many cases, however, there have appeared in these statements unpaid losses due from such reinsuring companies to the Canadian companies which have not been similarly covered by assets in Canada, and as in many cases, these balances of unpaid losses have proved to be worthless or of little value owing to the weakness or insolvency of the reinsuring companies, the Department believes that the time has arrived when no credit should be given for unpaid losses or reserve in respect of such unlicensed reinsurance unless covered fully by assets of the reinsuring companies.

The Department therefore proposes to allow in its annual report for 1914, and thereafter, credit for unpaid losses due from, and reserve on business reinsured in, such unlicensed companies, only to the extent to which such losses and reserve are covered by premiums or securities of the reinsuring companies retained by the Canadian companies and under their sole control. Such assets will be treated as first making provision for unpaid losses and the balance as providing for a reduction *pro tanto* from the gross reserve.

CONVERTING TERM POLICIES.

Most people who buy term insurance do so in the belief that they will be making plenty of money if they live, and that temporary protection, while they are making it, is all that they require.

But it does not take these people long to find that they are not making the money they thought they would. A year passes by and they find themselves substantially no better off, and each succeeding year it is the same. That is the common experience, as attested by the statistics of dead men's estates.

When a man sees that he has overestimated his money-making power, he can easily be brought to realize that his Term policy, if he has one, is not the right kind of policy for him. You should, therefore, make a strong effort to get him to convert the policy. There are comparatively few Term policies on the Company's books that could not be converted to more stable protection if judicious steps were taken to convert them. A man who sees himself getting no richer and whose Term policy will expire before many years, leaving him so much older and possibly unfit for insurance on physical grounds, ought to appreciate the advantage of being able, without having to pass a medical examination, to switch over to a form of protection that will last as long as he does and that will be a financial prop to him in his declining years.—Prudential Record.

Insurance men in the United States are pleased with the check that has been given to the State insurance movement in Wisconsin. Constitutional amendments were presented at the elections empowering the State to furnish all kinds of insurance to its citizens; they were over whelmingly beaten.

FIRE INSURANCE HINTS.

1. Insurance agents and brokers in writing policies can do efficient fire prevention work by paying attention to the moral hazard and as to whether or not the property is over-insured.

2. Keep your place in such condition, that if a person wanted to start a fire, he would first have to go after material with which to start it.

3. The bonfire in an alley or vacant lot is a real life destroyer of the little ones. Many lose their lives each year by having their clothes catch fire from bonfires.

4. Don't leave your place in such a careless condition with accumulation of combustible material, etc., that it looks like an invitation for a fire.

5. Favors should never be granted where lives and property of people are at stake.

6. Men in charge of church, school, and other public buildings should see to it, especially in the winter time, that all exit doors are frequently examined so that in case of emergency they will open freely. Occasionally side doors, being little used, get in such a condition from ice, snow, etc., that it is almost impossible to open them. It is such a condition that frequently causes a serious loss of life when the unexpected panic takes place.

HURRYING UP THE INSURANCE REPORT.

Mr. G. D. Findlayson, the new Dominion Superintendent of Insurance, has addressed the following circular to the insurance companies:—

The blank forms of annual statement forwarded to all companies last year were accompanied by a Departmental circular letter asking the companies to co-operate with the Department in securing the earlier publication of the Department's annual report, by filing their annual statement with the Department as soon as possible after the first of the year. While the response to this suggestion was not as general as might have been expected, many companies filed their statements some weeks earlier than in previous years and to this fact the earlier publication of the report this year is in no small measure due.

The report of the Department was distributed to the companies this year approximately six weeks earlier than last year, and it is believed that still better results can be attained next year.

The Department would therefore repeat the suggestion made last year and ask the companies to facilitate the work of compilation of the report in the way indicated.

CANADIAN LIFE OFFICERS' ASSOCIATION.

The annual meeting of this Association is fixed to take place at Toronto this morning (Friday) at 11 a.m. Several Montreal life managers left last night to attend the proceedings.

Owing to the considerable increase in the business of the Royal Exchange Assurance Corporation, and to the fact that for many years past accommodation has had to be found for some branches of the fire department away from the head office, the Directors have acquired the freehold of No. 11, Cornhill, London, E.C., and are now concentrating the whole of the fire business at that address.