NEW BRUNSWICK FIRE INSURANCE ACTS.

Penalties for Agents and Brokers—Enforcing Collection of Taxes—Synopsis of Amendment.

The following is a synopsis of the New Brunswick Fire Insurance Acts, passed last March:—

The attention of insurers is directed to the fact that under a policy issued by a company not holding a license from the Dominion Insurance Department and which has not paid its New Brunswick Provincial tax, or under a policy of any company not signed by a registered agent resident in New Brunswick there will in case of loss, be great difficulty, if, indeed, it will not be quite impossible, to get the loss adjusted or appraised, as the adjuster or appraiser, or any person acting as such, whether he is a regular adjuster or appraiser, or not, would make himself liable to the heavy penalties mentioned below under the head of adjuster and appraiser.

Companies not Holding Provincial License Must Pay Tax.

Companies should note that: 1. The legislation referred to applies to all companies, corporations, associations, firms, partnerships or individual underwriters or associations of underwriters formed upon the plan known as Lloyds.

2. Companies with head offices outside the province not holding a license from the Dominion Insurance Department will in future have to pay double the usual tax, namely, $200, and 2 per cent. on their net premium income in the province.

3. The above mentioned tax in the case of unlicensed companies is collectable from "any agent or broker by or through whom any application was solicited, written, accepted or forwarded, or by or through whom any policy, interim or renewal receipt" of such unlicensed company "was issued, signed, countersigned or delivered or from or against any adjuster or appraiser acting . . . . on behalf of such company." Property protected by standard automatic sprinkler equipment is excepted.

4. The names of all agents with authority to sign or countersign policies for any company must be registered with the Receiver-General. They must be residents of New Brunswick.

5. All policies on New Brunswick business must be signed or countersigned by an agent resident in New Brunswick previously registered by the company as its agent. Insurance on sprinklered property only excepted.

Policies Must be Signed and Countersigned.

6. The penalty for issuing a policy on property in New Brunswick not signed or countersigned by an authorized agent of a company resident in New Brunswick as above is not less than $200 or more than $500.

7. Information can be laid by anyone, and if a penalty is imposed half of it goes to the informer; prosecutions are tried under Part XV. of the Criminal Code; service on an agent is deemed to be service on the company; the policy is deemed to be a contract made in the Province no matter where written; and funds of the convicted company in the hands of any agent are liable to execution for amount of the penalty and costs.

8. The Receiver-General may not accept taxes from or issue permit for the year following a conviction to a company convicted of any violation of the Act and the penalty for writing insurance on New Brunswick property if permit is refused is $500 to $1,000.

9. The section providing that agents shall, if required, make a return of their net premiums for the previous year does not supersede the requirements of Chapter 18 of the Consolidated Statutes that companies shall make returns of the net premiums collected on New Brunswick business. It is not intended that agents shall make returns provided for in the new legislation unless they are asked for them by the Receiver-General.

Penalties for Agents and Brokers.

Agents and brokers should note that: 1. If they are non-residents of the Province they must pay an annual license fee of $100 to the Receiver-General.

2. If they do not they are liable to a fine of $100 and $10 additional for every day they have engaged in insurance business in New Brunswick.

3. If they write business for a company that is not licensed by the Dominion Insurance Department and which has not paid its Provincial tax they are personally liable for the Provincial tax of $200 and 2 per cent. on net premiums.

4. All policies must be signed or countersigned by a resident of New Brunswick registered as an agent by the company issuing the policy.

Adjusters and appraisers should note that:

1. If they adjust or appraise a loss on a policy not signed or countersigned as before mentioned they are liable to a fine of from $100 to $200.

2. If they adjust or appraise a loss for a company that is unlicensed by the Dominion Insurance Department and that has not paid its Provincial tax they make themselves liable to be called on to pay the Provincial tax of the company amounting to $200 and 2 per cent. of the net New Brunswick premiums besides the $100 or $200 penalty mentioned in the last section.

Synopsis of Amendment.

Amendment to Chapter 18, Cons. Stats. 1903.

Sec. 1. Taxes extra-provincial companies, associations of Lloyds, etc., unlicensed by the Dominion Insurance Department $200 and 2 per cent. of net premiums. Sec. 2. Makes agents, adjusters and appraisers of unlicensed companies, etc., liable for unpaid taxes of such companies, etc. Sec. 3. Has to do with banks.

Act taxing certain Fire Insurance Agents. Sec. 1. Taxes agents not resident in New Brunswick $100 per annum. Sec. 2. Provides that tax shall form part of revenue of Province. Sec. 3. Imposes penalty of $100 and $10 a day on non-resident agent who has not paid tax. Sec. 4. Agent paying taxes shall receive certificate and notice of issue of same shall be published in the Royal Gazette. Payment of tax entitles agent to do business for one year only. Sec. 5. Declares proof of person soliciting insurance shall on hearing of information be prima facie evidence of violation of provisions of Act, putting onus of proving payment on accused; production of certificates shall be evidence of payment.

Enforcing Collection of Taxes.

Act for better enforcing collection of taxes under Chap. 18, Cons. Stats., 1903. Sec. 1. Defines "Company" and "Policy." Sec. 2. Declares that acceptance by Receiver-General of taxes authorizes company to transact business in New Brunswick until following 31st May. Sec. 3. Provides that Provincial Secretary may not accept taxes for following year from company convicted of violation of provisions of Act. Sec. 4. Imposes penalty of from $500 to $1,000 on company issuing policy during year after refusal of taxes. Sec. 5. Provides that companies must register names of all agents authorized to sign or countersign their policies; agents must be residents of New Brunswick. Sec 6. Imposes penalty of $200 to $500 on company that issues policy not signed by registered agent. Sec. 7. Requires certain agents to send returns of net premiums to Receiver-General if asked for them. Sec. 8. Makes adjusters and appraisers liable to a fine of $100 to $200 for adjusting or appraising loss on policy not signed by registered resident agent. Sec. 9. Provides that anyone may lay information, that half the fine shall go to the informant and half to the Province, that prosecutions are to be tried under the Summary Convictions Act, that service on an agent shall be deemed to be service on the company, that a policy on New Brunswick business shall be deemed to be a contract made in New Brunswick, and that funds of a convicted company in hands of an agent shall be liable to execution for amount of penalty and costs.

INSURANCE ON FRONTENAC HOTEL.

The loss on the Hotel Frontenac at the Thousand Islands is estimated at 80 per cent. of the general form insurance. The main hotel and contents were totally destroyed. The annex and contents, men's dormitory and yacht club house were badly damaged. The insurance under general form is as follows:—

Nor. Br. & Mer.	$ 8,500	Ins. Underwriters ..	$ 2,500
Northern, London ..	12,000	Pacific of N. Y.	2,500
Continental	7,500	Royal Exchange ...	5,000
Citizens, Mo.	5,000	Hartford	15,000
Connecticut	5,000	Home of N. Y.	15,000
Aetna of Conn.	10,000	Liv. & Lon. & Globe	20,000
Orient of Conn.	7,500	Niagara	5,000
Sun Ins. Office	10,000	Boston Ins. Co.	5,000
German-American ..	1,500	American, Newark..	5,000
National Union	10,000	Fidelity Underwriters	7,500
Hanover	7,500	National, Hartford ..	20,000
Pennsylvania	2,500	Agricultural	5,000
Globe & Rutgers ...	5,000	German-American ..	7,500
Fidelity-Phenix	5,000	People's National ...	2,500
Hamburg-Bremen ..	2,500	Phoenix, Hartford ..	17,500
General of Paris ...	5,000	Philadelphia Und. ..	3,500
Stuyvesant	5,000	Hamilton	1,500
Total			$249,500