

knowledge of the company, they made certain enquiries, and came to the determination to repudiate their liability on the ground of fraudulent misrepresentation in the original proposal form. I should say the man is, apart from the brain affection, in good bodily health.

The policies were assigned by the assured to his daughters, and they were made parties to the action in consequence. The defendant company contended that they had no legal interest in the policies, and brought this point forward as a ground of repudiation. With regard to the misrepresentation, it transpired that the agents of the company who took the proposal were cognizant of certain facts which were not stated in the proposal, and the company sought to prove that they were not liable for the action of their agents. The judge, however, took an adverse view of their case, and so did the jury, for after a very short deliberation they found for the plaintiffs, and the judge ordered that the whole of the premiums that had been paid should be refunded to them. The case is noteworthy on account of the view that the court took of the responsibility of the company for the acts of their agents, a lesson that the National and all other offices may remember, as it is a point on which considerable difference of opinion exists.

#### MORE HARD HITTING

for the Mutual Reserve Fund comes from the editor of the *Accountant*, which I take to be the accredited organ of the Institute of Chartered Accountants in the United Kingdom. I extract the following remarks from the journal anent the 11th Annual Report of the Mutual Reserve Fund:

"It will be found interesting in many respects and amusing in not a few. The published accounts are not apparently certified by the auditors, but they are 'respectfully submitted' by the secretary—whose signature alone they bear. A 'bi-monthly report by the auditors' is appended, but it contains no certificate of the correctness of the accounts, the auditors apparently considering their functions to consist rather in commending the officers for their honest and able management of the great and sacred trust committed to their care... On a loose sheet enclosed with the report is a list of investments amounting to \$3,155,220, which is said to be the total amount of the reserve or emergency fund; but we look in vain for any such item in the published accounts. A certificate is attached to the effect that \$2,197,239 is deposited with the Central Trust Company of New York, but it might be interesting to know who has the other million dollars in 'keeping.'"

#### NEMO ME IMPUNE LACESSIT

is the motto of the Scotch nation, and individuals of that nation, both public and private, are not backward in letting a stranger know that the thistle pricks when laid hold of. Such is the experience of the Mutual of New York, which has rather roughly grasped the Scottish Provident, in the person of its manager, Mr. Watson, who is or has been engaged in a rather sharp controversy with Mr. Haldeman respecting the action of his Belfast manager, Mr. Moncrieff. This gentleman, it seems, has been issuing comparative estimates showing the difference between the advantages to be expected from the Scotch and the American office, greatly to the disadvantage of the former. Mr. Watson, who is nothing if he is not a fighting manager, has promptly challenged the correctness of the estimates, and claims to have shown that Mr. Moncrieff's figures are egregiously wrong, and he calls upon Mr. Haldeman to withdraw his agent's figures. Mr. Haldeman seems reluctant to comply with Mr. Watson's request, and indulges in the *tu quoque* argument. The Mutual is too powerful and well-known to need the assistance of any policy that looks questionable.

#### REDIVIVUS

is the epithet that may be applied to the old Pelican life office. I have recently referred to the action that the managers were taking to bring a good sound office more into accord with modern requirements, and the results may be considered satisfactory. The report for 1891 shows that new business amounting to over £285,000 was done in that year. In 1889, the new business was a little over £205,000; in 1890, it was well up to £256,000; so that in the years named substantial progress was made; and with a moderate increase in the expense ratio. A little more push on the part of the managers will bring the Pelican well to the front.

#### RENEWABLE TERM POLICIES

is the title of a "leaflet" issued by Mr. George King, the actuary of the Atlas life office. He has boldly entered the lists and is breaking a lance with the assessment companies. His rates

will compete strongly with theirs, with this advantage on his side, that the public have a full explanation given to them of what is offered and what they will have to pay for it. In connection with his new scheme, Mr. King is careful to show that each year's premium provides only for that year's risk, with a narrow margin for expenses and contingencies; and therefore the premium gradually increases with the increasing age of the life assured, the premium payable in any one year being the premium for "the then age" of the life. With the first year's premium a small entrance fee of £1 p.c. on the sum assured is charged, and £1 for each policy is to be paid to meet the unavoidable initial cost of the business. The premiums range from £1.6c per cent. at the age of 30, to £7.53 at the age of 70. A table also shows the gradually decreasing sum assured that a uniform premium of £5 would purchase, varying from £385 at the age of 30 to £69 at the age of 70. The assured may at any time prior to attaining the age of 65 claim what Mr. King terms "the valuable right" of requiring the issue of an ordinary whole life or endowment policy, at the rate "for the then age" of the assured, and *without medical examination*. The condition is attached to these renewable term policies that they shall cease after the age of 70, a condition that appears to bear rather hardly upon the assured. The policies, I should add, do not carry any surrender value.

#### RUMORS ARE ABROAD

relating to a drastic change that is to be, or has been made in the management of the London, Edinburgh & Glasgow Life office. If reports are to be believed, Mr. C. Weeding Skinner, the secretary, has been invited to take a seat at the board. Mr. Neil, lately chief of the industrial branch, is to be the manager, and Mr. Wilfred Bowser, late manager and actuary, is to be actuary only. The position of the company is the subject of a good deal of criticism on account of the enormous sums spent in establishing the business, and the unsatisfactory condition of the funds. The next report will be awaited with a great deal of interest.

LONDON, May 31, 1892.

VIGILANS.

## Notes and Items.

As was generally expected, the Chicago fire underwriters have decided to adopt the eighty per cent. co-insurance clause.

We are indebted to the insurance officials of the States named for bound volumes of the Massachusetts, Illinois and Iowa insurance reports for the current year.

The New York Tariff Association has declined to adopt the recommendation of the rate committee to make the allowance for sprinklers 30 instead of 20 per cent.

According to the estimate of a New York underwriter, there are between six and eight thousand risks in the United States wholly or partially equipped with sprinklers.

The new Atlas Mutual fire insurance company of Boston has commenced writing business at regular tariff rates in New England, New York, New Jersey and Pennsylvania.

Our New York contemporary, the *Chronicle*, is habitually clever in the cartoon line. Its latest achievement of producing a perforated toothpick and labelling it the Home Life's new building is a striking one.

The New York Life announces the issue of a new form of policy contract, which, it is claimed, is free from all conditions whatever excepting payment of premiums as stipulated. We have not seen the form.

Ex-President C. F. Underhill, of the Flour City Life association, an assessment concern at Rochester, N. Y., whose arrest for forgery in connection with the association we noted some months ago, has been convicted.