

floor; but thanks to Mr. W. H. Hore, of the "London Assurance," this anomalous proceeding has since been rectified, and he can now only recover according to his "ratio of liability" upon the two, or in other words the "average clause" applies, though the policy is "specific," which is the rule we are upholding, so far as separate ranges are concerned. If, as we presume from his letter, "Alkali" alters the ratio of liability of the policies according to whether the loss be partial or total then we say he is merely assisting us to prove the falsity of a method which admits of such alteration.

"Alkali" complains of our apportionments under the existing rule, but we regret to state we have known of similar apportionments being made with losses sustained by country property holders. Further, let us observe that two ranges do not necessarily mean two warehouses, but may signify different items in the same building, such as (1) dry goods, (2) groceries, (3) fixtures, &c., &c., upon which we have already written in reference to an example furnished by the Insurance Times, of New York.

Let us give "Alkali" the following example to solve:—

Range Loss.	Office.	
I 600	A on I	100
II 100	B " II	100
III 1,000	C " III	800
	D " I and II	300
\$1,700	E " I and III	200
	F " II and III	400
	G " I, II and III	500
		\$2,400

Probably this is one of those cases which would, according to "Alkali," require an expert, for if it is insisted that the "blanket" policies cover each range to the full extent of the policy—in which we are told there is no absurdity—the annexed will be the result: (We again omit fractions.)

Apportionment I.		
	I	Loss \$600
A.....	\$100 1-11 pays	\$55
D.....	300 3-11 "	164
E.....	200 2-11 "	110
G.....	500 5-11 "	271
	\$1,100	\$600
II.		
	Loss \$100	
B.....	\$100 1-13 pays	\$7
D.....	300 3-13 "	23
F.....	400 4-13 "	30
G.....	500 5-13 "	40
	\$1,300	\$100
III.		
	Loss \$1,000	

C.....	\$800 8-19 pays	\$421
E.....	200 2-19 "	105
F.....	400 4-19 "	210
G.....	500 5-19 "	264
	\$1,900	\$1,000

But Office G's policy is only \$500, therefore it cannot pay \$575, and to maintain the above rule the insured loses \$75, otherwise if the rule be altered for particular cases it must be confessed imperfect.

Our apportionment would be thus:—

Apportionment 2.		
I.		
A's Liab.....	\$100 pays	\$98
D's "	257 "	254
E's "	75 "	74
G's "	176 "	174
	\$608	\$600
II.		
B's Liab.....	\$100 pays	\$48
D's "	43 "	21
F's "	36 "	17
G's "	30 "	14
	\$209	\$100
III.		
C's Liab.....	\$800 pays	\$505
E's "	125 "	79
F's "	364 "	230
G's "	294 "	186
	\$1,583	\$1,000

The summary of the two apportionments is as follows:—

Office.	Policy.	Appt. 1.	Appt. 2.
A.....	\$100 pays	\$55	\$98
B.....	100 "	7	48
C.....	800 "	421	505
D.....	300 "	187	275
E.....	200 "	215	153
F.....	400 "	240	247
G.....	500 "	500	374
Insured losses.....		75	Nil.
		\$1,700	\$1,700

We leave it to our readers to say which of these is correct.

In conclusion we agree with "Alkali" in its being desirable to show the disadvantage of "blanket," and we would add also, non-concurrent, policies but while such exist we may as well have a rule which is applicable to all or any example which may occur, and such we maintain the existing rule is not.

THE CONFEDERATION LIFE ASSOCIATION.

The report of the seventh annual meeting of the Confederation Life Association, which we publish elsewhere, is deserving of more than usual attention from policy-holders and the public at large. The management of the Association, besides showing a most favorable report of the operations of the past year, and providing for a continuation of that success which has hitherto marked its every step, has wisely looked to the difficulties which beset Life Assurance during periods of depression, when lapses are numerous and many persons are compelled to relinquish what they at one time fondly hoped would be ample provision for themselves and family in their declining years, or in case of death. With this view, the Company has decided to render direct assistance to policy-holders in paying their premiums by a yearly distribution of the ascertained surplus, and the application of one half of the surplus at the credit of policies of five or more years' standing, which, in the year 1877, alone represented a reduction of nineteen per cent. For example, in policy number 92, issued at 45 for \$2,000, the annual premium is \$71.74; and the cash profit for 1877 was \$30.80, or about 42½ per cent., one half of which, or \$15.40, is applicable to the payment of the premium, the remaining profits being held over for the regular quinquennial division. The business for the year under review shows that 1289 applications for insurance, amounting to close on two million dollars were received. Of these 1,173 were accepted, covering \$1,741,318, nine were deferred, and the remainder were rejected. There has been an abnormal amount of lapses and surrenders, which is partly attributed in the report to the liberal surrender values given; but, no doubt, those lapses are mainly caused by the serious depression. Altogether, the Confederation Life is to be congratulated on the results of its business for 1878.

THE GERMAN TARIFF.

The new German tariff has been published, and is nearly as elaborate as our own. There is a similar feature in it, and one which necessarily affects a very large number of other articles. We refer to the duty on pig iron, which under the former tariff was free as it was with us. We infer from the high duties imposed on several leading articles of consumption, such as tea, coffee, wine, tobacco and petroleum, that the leading object of the German tariff, as of our own, is to obtain a considerable increase of revenue.