THE LONDON MUTUAL FIRE INSURANCE COMPANY.

The Directors' Report of the above Company, submitted at the annual meeting held on the 24 ult. at London, Ont., gives the number of policies renewed and issued last year as 22,332. The value of the property covered was $26,372,135, and the gross amount at risk on the Company's books at close of 1901 was $60,427,743, being an increase for the year of $7,208,018. The net premium income was $261,407, and from interest rents etc., $4,410, making a total income of $265,817. The net losses were $139,548. The statement gives a comparison of the re-insurance reserve under Ontario standard and Dominion standard. The Ontario standard calls for $155,758, which leaves a net surplus over all liabilities of $324,044; the Dominion standard calls for $431,932, which leaves the net surplus. $47,869.

The Fire Inspectors' Report states that 183 fires arose from chimneys, stoves and sparks; 143 from lightning to buildings; 119 from lightning to animals in the fields; 23 from other buildings; 19 from lamps; 24, careless use of matches; 23, incendiarism and 122 fires, or over 33 per cent. were from unknown causes. The shareholders re-elected The Hon. John Dryden, M. L. A., as president, Mr. Gillies, vice-president, and Mr. H. Waddington, managing director.

INSURANCE INSTITUTE OF MONTREAL.

The monthly meeting of the Insurance Institute of Montreal was held on the 27th ultimo in the Hall of the Natural History Society. The attendance was large, the attraction being a lecture by Mr. Donald Macmaster, K.C., on "Conceptions and Misconceptions." The chair was taken by Mr. B. Hal Brown, vice-president. Needless to say the lecture was both wise and witty. Mr. Macmaster, in opening his address, said:

"Insurance companies assume risks upon business terms and for business reasons, and, as a rule, treat their risks, when loss occurs, in a business-like way. However, there are exceptions, and we are all familiar with the case of the policyholder who found so many conditions in it that he called in the aid of a friend to interpret it. 'These conditions,' said the friend, 'might all be dispensed with by writing in their stead the words, if a fire occurs in these premises this policy is void.' This, of course, is also a misconception. There are few indemnity companies conducted on those lines now. We must remember that every one who agrees to take a policy does not know all the conditions when he makes his application. He is not presumed to know them. Later he gets his policy, is very much pleased with the picture on the front page, and files it away in his strong box. He makes no objection to the contract, and this implies assent. Besides, he probably, in the application, signed an innocent looking sheet that binds him in advance to all the conditions of the policy to be issued. I confess I have always considered this a somewhat one-sided way of making a contract. But it has been pointed out to me, by those entitled to know, that if all the conditions were explained in advance one never could place a risk, which certainly would be inconvenient. I have great respect for that argument.

"After all, the conditions are not as onerous as those which certain railway companies impose upon us on the voucher we receive for the payment of a fare without even a single word passing as to the contractual relationship except, 'How much is a ticket to New York?'

"The policy is a contract and we must not forget that there are other contracts. The old idea of a contract was that it should express clearly the meeting of the minds of the contractors, and that is the right meaning. In most instances in modern practice, it is after the meeting of the minds that the trouble commences. The agreement must be reduced to writing, and then the tug of war begins, though, of course, it is not all direct pulling. The struggle is usually for a side pull, or some sort of pull that will give one side a marked advantage and nullify the equation of the bargain. This jockeying operation is called 'hammering out' the contract. It is a mean business—trying to undo furtively, under a cloud of words and phrases, what has been agreed to beforehand upon word of honour; but it prevails to an extent that may not be fully realized by people who are ready to pay a dollar for a dollar's worth. I have a profound respect for the stockbrokers who contract with each other by word of mouth, and few words at that, and practically never dispute."

Mr. Macmaster branched off into a defence of members of his own profession in defending prisoners whom they have reason to believe are guilty. He said:

"It is the duty of counsel for the prisoner to see that his client gets a fair and legal trial, that the judge's attention is called to every point of law that tells in favour of the accused, and that the jury's attention is directed to every fact or fair inference from facts and circumstances that may rebut the charge of guilt. That done, his duty is ended. This is a service that every court welcomes."

When the prisoner's counsel ends there the above plea is reasonable, but there have been cases when even a distinguished advocate went so far as to pledge his honour that his client was innocent, when he knew of his guilt by confession, and an instance has been known of a barrister weeping over his innocent client of whose guilt he had positive knowledge. The ethics of the bar in defending prisoners is, however, an old theme, and Mr. Macmaster put the duty of counsel tersely and reasonably. "While rogues exist the insurance companies cannot get on without the aid of lawyers," said the distinguished lecturer, and, we may add, the insurance company is much better off with Donald Macmaster on its