

The Canadian Monetary Times

AND INSURANCE CHRONICLE,

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LETTER FROM NEW YORK.—The following is from our own correspondent:—

I came here a stranger and a foreigner and amidst the perpetual hurry and bustle of this vast commercial city, one is agreeably surprised to find the soft amenities of educated society freely extended to strangers in the counting house of the busy merchant, and also in the offices of the great monetary and insurance institutions; in other words, I would say that your correspondent, as the humble representative of the MONETARY TIMES AND INSURANCE CHRONICLE, has been everywhere most kindly received, and for which he feels very grateful.

I have called upon upwards of 150 of the presidents and managers of insurance and other companies, and by this time you are fully aware what a large moiety of them have subscribed for your paper.

The Insurance Offices in New York seem conducted rather differently to some in Canada, there appears less form and ceremony, and more work going on, and from the president down to the messenger all seem busy during business hours, and all are equally accessible. The office of President here is evidently something more than a mere name, for he is generally to be found at his desk giving his daily attendance and supervision.

The abrogation of Legislative Enactments in Canada, unfriendly to foreign companies doing business in Canada, would be hailed with much satisfaction by most of the United States Insurance Companies, and I think it would be very advisable if a synopsis of our laws, as they at present exist, were published in the INSURANCE CHRONICLE of Canada.

The desire for free trade in insurance prevails much, and I can also say that reciprocal free trade in general, between the United States and Canada, is almost universally desired by the chief men among the mercantile community in New York.

The "big gun" of the Insurance Press in the United States is the *Insurance Monitor* of New York, edited by Mr. T. Jones, Jun., who is indeed a "marvellous proper man" for the position, as the columns of his journal amply testify; and verily his "Monitor" is a really formidable iron clad, and woe be to the short comers and evil doers in insurance matters if they come within range of his artillery, and fortunate indeed are the officers and crew of any barge that so deport themselves as to merit the right hand of fellowship from the captain and English lieutenant of this staunch and powerful craft. Dropping metaphor, I record with much gratitude the unvarying kindness and assistance I have received, during the whole of my stay here, both from Mr. Jones and Mr. English, his able assistant. Mr. Jones is a representative man, politically and socially, very much and deservedly esteemed for his great talent and genial and kindly qualifications of head and heart. Mr. English, his coadjutor, appears to be a cyclopaedia of information on insurance matters, and an excellent business man, having filled the office of chief superintendent of the fire department of the town of Leeds, England, some years ago. In speaking thus gratefully of the *Monitor* and its manager, I am not unmindful of the kindness I have received from many other members of the Insurance and Mercantile Press of New York, to all of whom I beg here to record my thanks.

Your paper will soon, I trust, be known and read by all business men in New York and other commercial cities, for it is encouraging to know that the *Insurance Monitor*, whose printed matter now covers 68 pages and whose circulation is upwards of 20,000, (twenty thousand) was 15 years ago a smaller sheet than your own, whilst it has now a very large English and European circulation and is to be found in every part of this continent, north, south, east and west, and that such may be the growth and prosperity of your TIMES AND CHRONICLE is the hearty desire of yours faithfully,

VIATOR.

INSURANCE ITEMS.—During the last ten years, no less than one hundred and sixty-one life insurance companies went into liquidation in England, entailing a loss of \$22,900,000 to the British public.—It is rumored that the Western Transit Insurance Company, of St. Louis, intends giving up its accident business.—The Queen Fire Insurance Company, of England, has declared a dividend of five per cent.—The Aetna Fire Insurance Company, of Hartford, declared a quarterly dividend of three per cent., and the Phoenix Fire of Hartford a quarterly dividend of the same amount, both payable on demand. The Connecticut General Life Insurance Company has also declared a semi-annual dividend of three per cent.—It is reported that the St. Louis Mutual Life Insurance Company, of St. Louis, Mo., has lost over \$250,000 by yellow fever this summer at Galveston, New Orleans and Mississippi, the localities to which their business is chiefly confined. The fierce competition amongst rival fire insurance companies at San Francisco, Cal., is effecting considerable improvement in that city, both in a sanitary and architectural point of view. Fires are rapidly cleaning out the small wooden buildings that disgraced the lower portion of the city, and good substantial brick buildings are erected in their place. A similar process, on a higher scale, is in active operation at Chicago.

THE LATE FIRE IN HAMILTON.—A correspondent of one of the city papers commenting on the recent fire in the premises of Sanford, McInnes & Co., of Hamilton, says, that the loss which amounted to about \$12,000, was caused almost wholly by the flooding of the premises with water. Not one-twentieth of this sum was actually destroyed or injured by fire. This abundance of water is found to be a cause of serious loss and damage in most cases of fire, owing to the reckless way in which the water is managed by the fire brigade. The same authority says that the insurance companies have reduced their rates 20 per cent. off buildings, and 12 per cent. off goods; in a few cases as much as 25 per cent. has been taken off buildings in those portions of the city immediately accessible to the water supply.

Law Report.

FIRE INSURANCE.—Policies are not transferable without the consent of the Company. Why?—Because the contract is a personal one. Because it is given upon knowledge of the character of the assured, and belief that he will not prejudice the interests of the insurer. Another party may be just as unexceptionable, but that is for the company to determine, and as the very nature of the risk might be changed by substituting another person for the one originally insured, the company has a manifest right to give or withhold consent as it may deem proper. In Marine Insurance the property is supposed to be out of the custody and control of the owners, and in the hands of the carriers,

whose interest it is to deliver it safely; therefore Angell says: "In marine policies the contract is more specifically applicable to the property insured rather than to the owner of it; but in fire policies the contract is not one that 'runs with the land.'" The very first words of a fire policy adopt this idea, "Do insure John Doe against loss or damage." Not the house, not the goods, not any property, but the man. It is the owner not the property that is insured, and the moment another owner is substituted without the company's consent the contract ceases. This may seem so plain to underwriters as to make the explanation appear trifling; but transactions are of almost daily occurrence wherein intelligent business men treat fire policies like other pecuniary obligations that may be transferred at the pleasure of the holder. Out of such notions grow frequent results that are embarrassing in the extreme to those affected by them. A case in point occurred recently in Cincinnati; a party held \$20,000 of policies issued to the former owner on the burned property, which he had neglected to have transferred, ten months before, when he bought. Of course he had no claim upon the Companies.

FIRE POLICY SEIZABLE UNDER EXECUTION.—

A fire policy, after a loss has taken place, and money has become payable thereon, is such a specialty or security for money as is seizable under execution, though the amount payable has not been ascertained. Where such a policy was verbally assigned to a creditor by a person in insolvent circumstances, in satisfaction of a debt not due, and in consideration of an advance of money at the time, the assignment was held void, as a fraudulent preference within the Consol. Stat. U. C. ch. 26, sec. 18.

POINTS IN INSURANCE LAW.—In a case before our Court of Common Pleas the law bearing on certain points was summarized by one of the judges as follows: The authorities which were cited, and some others which we have noted, which are material to the case, are to the following effect: That the assured must communicate to the insurer every fact known to the assured and not to the insurer material for his guidance in respect of the premium to be demanded. Actual knowledge, however, is not essential, if the insurer had the means of knowing the fact, as by making an enquiry at a particular place, [in that case at Lloyd's,] and he chose not to make it; and that it was a strong fact for the plaintiff in that case, that the defendant had underwritten not once but twice, and that after the underwriters knew what the cargo was to be, that is, that it was to include some iron, although the quantity was not known. That a condition, that the policy should be void, if the assured should omit to communicate any matter material to be made known to the insurer, did not apply to something which it might be well presumed was known to the insurers or their agent; and that the mill [the subject insured] being used openly and publicly, for the purpose in question, and the company's agent residing in the neighborhood and well knowing the mill, were facts from which the jury might presume the agent knew the matter in question. That if a person were, and were known to be an agent only for effecting insurances by policy on payment of a premium, he was not the agent of the insurers in granting a verbal insurance and in taking a promissory note in place of cash for the premium; but if the person were the agent of the company, and merely made an unwise contract for them, or had been satisfied with answers which ought to have been deemed un-