

Of course moment to the British cycle trade is the approaching amalgamation of the Humber and the Humber Extension companies. The method of fusion will probably be the formation of a new company to buy up the two old ones. The capital is fixed at two and a half million dollars.

The cycle trade has suffered extremely from over-capitalization, just as the Hooley flotation and the whiskey and other ventures have. The big boom on the Australian jarrah wood trade has apparently led to the same trouble. Under private control this trade showed fine profits, and hence investors rushed in with their subscription as soon as the lists were open. Now they are sorry for it. Dividends of any size are impossible upon the present unwieldy capitals.

Amongst companies of great importance which are shortly to be launched are Quakers Oats, and the Dowlais Coal, Iron and Steel Company. Quaker Oats are of world-wide fame, and there will probably be a rush for the stock. The Dowlais Company is to have a capital of five and a half millions.

South African securities are down a little after a recent period of steadiness, but not by any means so much as was expected. In fact, the outbreak of hostilities has been so long delayed that every alteration in price has been discounted or in some way or other prepared for satisfactorily. In fact, on the day of the termination of the famous twenty-four hours happy operators in the markets indulge in general funning. President Kruger was "hammered," as a defaulter, flags were waved and patriotic and national songs were sung by three thousand excited bulls and bears.

A further re-action is looked for, however, in the stocks immediately concerned, and also in those that are likely to be in sympathy with them. "Sympathetic finance" is a curious phenomena of these latter days.

#### INSURANCE.

Plate glass insurance is a branch of the profession which is usually strongly localized. There are now some scores of local plate-glass insurance offices which, by their accurate knowledge of neighborhood risks, and assurers are able to make a very decent profit upon this section of unforeseen contingency insurance.

There appears to be a further development of this localization idea in the shape of local fire assurance offices, officers taking only the ordinary easy risks of dwelling houses and furniture, and occasionally shops or retail stores. Knowing local needs very well, the promoters of these organizations are able to exercise an uncommon amount of discrimination, and whilst charging lower premium than usual refuse all bad or even doubtful business as being dear at any price.

One of these local institutions has developed to a very fine extent upon these lines, and at last the Durham & Yorkshire Fire Insurance Co. is doing a considerable amount of business. Further, it has just paid its shareholders a dividend of 10 per cent. upon the paid-up capital. The D. & Y. is one of the coming offices.

A very large and destructive fire broke out at Oldham where a fireproof cotton mill was burnt out—

the loss upon the insurance companies being nearly two hundred thousand dollars. Oldham is the greatest factory centre of Lancashire, and the Werneth Company's mill one of the biggest in it. The total loss is nearer three hundred thousand dollars.

The London officials of the Canton Insurance Company have received information that a dividend of eleven per cent. has been declared by that company, which seems to show insurance is one of those things that can be transplanted to foreign climes with good results.

#### RECENT LEGAL DECISIONS.

**ACTION TO RECOVER BACK LIFE INSURANCE PREMIUMS.**—Some years ago a gentleman by the name of Wakeman was much opposed to life insurance. His wife, however, had different views on the subject; and unknown to him, and consequently without his consent, applied to the Metropolitan Life Insurance Company of New York for a policy on her husband's life. She signed her husband's name to the application in the presence of the Company's agent, who told her that it was unnecessary for her to procure her husband's own signature. From time to time she paid the premiums out of the moneys which her husband placed in her hands for household expenses. Later on the husband fell in with the wife's views, and two more policies were taken from the same Company on his life in favour of Mrs. Wakeman. His wife now found it safe to inform him of the first policy, and from this on they paid the premiums on the three policies. In a year they took out a policy on the life of their seven year old daughter in favour of the mother, and in another year a second policy was issued on the child's life. For four years the premiums were paid, then the payments stopped, and the policies lapsed. Then the earliest policy on the life of the husband was revived, and later on was allowed to lapse again.

Next followed an action at law by the husband and wife against the insurance company to recover back all the premiums which had been paid on the five policies. It was contended that all of the policies were null and void, in the first place because the names of the parties for whose benefit they were issued were not inserted in them, and, secondly, that the first policy of all was rendered nugatory by a rule of the company which declared that under no circumstance could an application be written on the life of a husband for the benefit of a wife unless the husband understood and consented to the insurance and personally signed the application. It was further contended that the policies, being all invalid, the Company could not have been forced to pay under them, and so there was never any valid consideration for the premiums paid, and they should be returned.

The trial Judge decided that, while the husband might have repudiated the first contract as soon as he discovered it, and might then have claimed a return of the premiums, still his subsequent course of conduct, in which he continued to pay the premiums