

to policyholders during the five years was \$43,153,027 by the aggressives, and the total amount paid policyholders (excluding death claims) \$111,459,476, the percentage of the former being 38.7 of the latter. The dividends to policyholders for the same period paid by the conservatives amounted to \$15,804,472, and the total payments to policyholders (less death losses) \$31,629,707, the percentage of the former being 49.8. But we also find that the total surplus of the aggressives was \$56,795,009 at the close of 1890, or 12.5 per cent. of the total assets, while the surplus of the conservatives at the same date was \$12,526,849, or 08.6 of the total assets—a difference in favor of the former of about 4 per cent. on total assets, involving nearly \$462,000,000 in the one case and about \$144,500,000 in the other. That this four per cent. on total assets, plus the value of the vast amount of new business acquired in 1890, more than makes up for the relative difference in dividends actually paid during the period is, we think, obvious; and that, all things considered, the active, pushing companies are better off than are the slow-going ones, we believe cannot be successfully questioned.

FIRE LOSS IN SHOW-WINDOWS.

Editor INSURANCE AND FINANCE CHRONICLE:—

I desire to submit the following disputed case to you for an opinion thereon, through the columns of the CHRONICLE.

A retail dry goods merchant had two policies of insurance upon his stock, covering as follows:—

Company A. On stock dry goods,	\$4,000
Company B. " " " "	3,000

Total Insurance \$7,000

The insurances were concurrent, except that company A's policy contained the following stipulation:—"This company will not be answerable for loss or damage to goods in store windows, when occasioned by lights in such windows."

A small loss—\$70—occurred in the show-window of the store, caused by the gas-frame in contact with some of the goods displayed therein, and claim was made upon the companies for the amount of the loss.

Company A claimed that under the above recited clauses they were not liable for the loss, and refused payment, or to recognize any liability. Company B claimed that company A's policy was "other insurance," and under the contribution clause of their policy, as they covered but $\frac{1}{2}$ of the insurance upon the property, they were liable for only $\frac{1}{2}$ of the loss, and tendered that proportion (\$35) in payment of their liability. And so the matter stands.

Will you kindly give an opinion, as to which of the companies, if either, is correct, and how the insured is to get his indemnity?

G.K.

REPLY.

The case seems very clear to us. Every company is bound only by its own policy conditions and stipulations, all of which are in force from and after the execution of the policy and its acceptance by the insured. Company A's policy expressly stipulated that it would "not be answerable for any loss in windows, where such loss was caused by lights in such windows." And the insurer accepted the policy as written. The loss was caused by "a light in the window," hence it fell under the exceptional clause of policy A, and consequently relieved that company from liability therefor.

As company B's policy covered the insured against

any loss by fire—not having any exceptional clause—it became solely liable for any fire loss sustained by the insured, upon which he had no other insurance. And as Company A did not cover the loss, there was no other insurance thereon to which the contribution clause could apply. Hence, Company B, being the only insurer upon the lost property, became liable to the insured for the whole amount. The principle underlying our opinion is that underlying all policy contracts with and without the co-insurance clauses, where the policy without the co-insurance clause becomes liable for any deficiency (within its amount) caused by the operation of that clause.

These show-windows are as a rule great nuisances to fire insurance companies, and should always serve to increase the premium rates, as they are usually very much crowded with light and inflammable articles, ribbons, laces, ruffles, etc., many of them hanging in close proximity to many-branched gas lights, and liable from draughts of air caused by the opening and shutting of doors, to come in contact with the gas jets, when fire issues, which may possibly be confined to the window, but is much more likely to spread to similar goods openly displayed outside of the window.

THE NORTH BRITISH AND MERCANTILE.

The annual statement with which the North British and Mercantile insurance company greets the public, covering the transactions for 1890, is one which will command general attention and prove most gratifying to the public. A large increase has been made both in the business of the fire and the life departments, and in both branches the business has been profitable. In the fire branch the large sum of \$6,945,785 in net premiums was collected, showing a gain over the previous year of \$595,630. No doubt this increased business is due in part to the extended connections belonging to the acquired business in the previous year of the Scottish Provincial. It is worthy of remark also that not only has the fire business considerably increased during the five years past, but that the risks have improved, as indicated by a decreased loss ratio. The following comparison of premiums and losses will be of special interest in this connection:—

Year	Net Premiums	Total Losses	Per cent
1886.....	\$5,713,650	\$3,085,920	54.0
1887.....	5,949,630	3,335,100	56.0
1888.....	6,411,275	3,681,360	57.4
1889.....	6,350,755	3,554,010	55.9
1890.....	6,945,785	4,053,435	58.3
Total.....	\$31,370,495	\$17,709,825	56.5
Previous 5 years..	27,077,725	16,477,895	60.9

It will be seen that while the premiums received during the last five years exceeded those of the preceding five years by \$4,292,770, the excess of losses for the former over the latter period was only \$1,231,930. The company was enabled to set aside the usual 33 $\frac{1}{3}$ per cent. of the net premiums to cover liabilities under outstanding risks, and carry forward to credit of profit and loss account \$1,232,035, including \$241,130 balance brought forward from 1889. A gain of almost a million dollars on fire underwriting for the year must be regarded as a very satisfactory outcome.