

"STOCK OF BOOTS AND SHOES."

To the Editor INSURANCE SOCIETY.

DEAR SIR,—Policies read, "on their stock of boots, shoes, and materials for manufacturing same — on shop furniture and fixtures."

Will boxes, empty or not, be covered under stock and furniture and fixtures?

Yours truly,
T. GAUTHIER.

Montreal, May 29, 1884.

In response to the above queries we have to say that the form of the policy as there given is simply equivalent to the words "Stock, manufactured, unmanufactured, and in process of manufacture," of raw, wrought and in process, the construction of which was explained in our issue of Feb. ult. (p. 31.)

Under the rule of construction of fire policies any word or expression will ordinarily be liberally construed as including whatever is necessary to fill up its fullest and most perfect meaning; but only those things which by necessary implication belong to the principal subject, or are included in its description, will be covered by the policy. And stipulations implied by the language of the policy are as much a part of the instrument as any of its express conditions, and will be liberally construed to fill up the measure of the insureds indemnity.

The term "stock" is a very comprehensive one when found in the fire insurance policy, and includes everything necessary to the proper carrying on of business to which the insurance may apply; and has been construed in England, in the case of a baker to cover even his horse and cart, as well as articles in his house. It varies in meaning according to the business to which it may be applied; hence, when used in a policy, the trade or calling of the insured, as in the query, should be indicated, and when so described it will cover all the materials needful for carrying successfully the business thus indicated.

The phrase "stock of boots and shoes and material for manufacturing the same" is broad enough to include all manufactured stock, and even that in process of manufacture, with the unused materials as well; and the stock generally, whether loose or in boxes, with the boxes, bales, labels, etc., needful to contain the same, in a finished or unfinished condition, preparatory for sale. In a retail shoe store it is customary to keep the stock in boxes prepared expressly for such goods; such boxes, on the shelves, empty or filled, form a portion of the "stock" covered by the policy in all cases, unless otherwise specified by the policy. But empty boxes in which goods have been received, and which are not in use for the purposes of the business, are not included in the insurance. Utensils or implements used in the manufacture of the goods are not included in a "stock of boots, shoes and materials." Tools and implements not being "materials," these latter being articles consumed in the using.

The legal points involved in the question have been frequently decided in the United States courts, in accordance with the opinion above recited; but we cannot, at this moment, lay hands upon any decisions, if such there be, of our Dominion Courts.

MUTUAL MARRIAGE AID ASSOCIATION OF HAMILTON.

"Hamilton, June 6th.—At the Police Magistrate's Court, this morning, John M. Webber, vice-president, and Walter B. Webber, secretary of the Mutual Marriage Aid Association, of this city, which is in difficulty, were charged by J. Hulett of Napanee, with false pretenses.

"John Crerar, county crown attorney, stated that the case "would occupy several days, that four men had paid \$3,000 into the association, and other five men had paid some \$5,000, several of whom had not received a cent in return. One man got \$600 or \$700 as a compromise. "The magistrate adjourned the case till to-morrow morning. "The Webbers were remanded to gaol.—*The Star*.

The above shows that our statements and predictions regarding this association are already coming true. We said that it could not possibly succeed, and that it was but a question of a short time when it would have to close its doors. We showed conclusively that it was an utter impossibility for it to fulfil its promises, and that the merest schoolboy could see that this was so, if he took the trouble to look into the matter. The promoters of such an institution could thus hardly fail to know that they were promising impossibilities. The paragraph quoted above shows that the vice-president and secretary have been arrested on the charge of obtaining money under false pretenses. Now that the concern is in the last stages of its existence, there will probably be a number of critics commenting on it, but after-wisdom of this kind is of little value. The Mutual Marriage Aid is another name on the list of concerns which we have exposed, at a time when nearly all other papers were praising them, but which have since collapsed, or will soon do so.

We notice that Mr. S. E. Townsend and H. Stevens have signed an auditor's certificate for the institution. They carefully refrain from expressing an opinion as to its solidity, but respectable men should be careful to avoid endorsing in even the slightest degree, such a concern, as their names must have the effect of increasing the number of its unfortunate dupes.

In spite of the fate which has overtaken this institution another of a somewhat similar plan has been started at London. The fools are not dead yet.

STANDARD LIFE ASSURANCE COMPANY.

In our last issue we gave a summary of the 1883 business of this fine old company, as presented at its annual meeting, held 29th April last. New policies were issued for over \$6,600,000, and the assurances in force may now be said to have reached the even \$100,000,000. The revenue remains nearly stationary at about \$4,250,000 per annum, and the death claims at about \$2,470,000. In fact there was a variation of only \$10,000 in this last item, between the figures of 1882 and 1883, or less than one half of one per cent. The invested assets increased during the year by nearly \$1,000,000, bringing the total up to over \$30,500,000.

One feature in connection with the Standard is instructive. The advocates of assessment assurance are constantly asserting that the average death rate of a well conducted life company will not exceed about one per cent per annum. The fact that the rate does increase with the age of the society is, however, proved conclusively by the experience of the Standard, whose death-rate is about two and a half per cent. of the sum assured. What co-operative could hold out for six months after its death assessments, apart from expenses, reached \$25 per \$1,000 assurance? There is not one in existence could stand the strain, and yet a regular company like the Standard not only does so without difficulty, but prospers at the same time.