

Insurance Company Salamandra.....	300,000
Law Union and Crown.....	1,000,000
Liverpool and London and Globe.....	3,500,000
London Assurance Corporation.....	4,000,000
London and Lancashire Fire.....	3,500,000
Moscow Fire.....	250,000
Munich Reinsurance.....	2,000,000
North British and Mercantile.....	3,000,000
Northern Assurance.....	2,000,000
Norwich Union Fire.....	1,200,000
Palatine.....	1,000,000
Phoenix Assurance.....	1,600,000
Prussian National.....	444,345
Rossia.....	760,000
Royal.....	3,825,000
Royal Exchange Assurance.....	2,000,000
Scottish Union and National.....	1,250,000
Skandia.....	525,000
Sun Insurance Office.....	2,000,000
Svea Fire and Life.....	750,000
Transatlantic Fire.....	4,000,000
Union Assurance Society.....	1,500,000
Western Assurance.....	400,000
Aetna.....	2,700,000
German American.....	2,000,000
Home.....	1,500,000
Insurance Co. of North America.....	2,000,000
Rochester German.....	400,000
Queen.....	1,500,000
Phenix of Brooklyn.....	1,750,000
Hartford.....	5,750,000
Phoenix of Hartford.....	1,600,000
Connecticut.....	1,775,000

TOTALS FOR ALL COMPANIES.

New York State Joint Stock Fire and Marine Companies.....	18,944,000
Joint Stock Fire & Marine Companies of other States.....	44,827,499
Foreign Fire Insurance Companies U. S. Branches.....	49,670,096
	\$113,441,595

FIRE INSURANCE MEANS INDEMNITY ONLY.

One of the things which the average property owner, especially in the small towns and rural districts, is very slow to understand is, that a policy of fire insurance is not a wager that in the event of a loss by fire the company will pay the full amount named therein. In many minds the idea seems fixed that the possession of a policy for a thousand dollars, for example, entitles the holder to that amount from the company in case of fire, whether the destruction of value is equal to that amount or not. Experienced adjusters fully understand the difficulty of making clear to a large class of the insured that the fundamental idea of insurance is to replace or to enable the owner to replace that which has been lost—simply to furnish *indemnity*. The company names in its policy the maximum amount which it undertakes to guarantee in case the loss should reach that amount, the actual payment below that maximum being always equal to the actual loss sustained. Thus the actual loss, whatever it may be, within the policy limit, is the maximum of liability to the company. This practice proceeds upon the equitable principle that, for a stipulated consideration, the insurance company,

in case of loss, puts itself exactly in the place of the insured. To pay less than the actual loss would be robbery of the insured; to pay more would be robbery of the insuring company.

This fundamental principle of indemnity, as applying to the insurance of property, has been recognized in all lands by the highest legal authorities, and everywhere by the best writers and lexicographers insurance has been regarded as the synonym of indemnity. The general definition of fire insurance is succinctly stated in Wharton's Law Dictionary as follows:—"Insurance against fire is a contract of indemnity." A standard authority, viz., Parke on Insurance, says:—"Insurance is a contract by which the insurer undertakes, in consideration of a premium equivalent to the hazard run, to indemnify the person against certain perils or losses, or against some particular event." Alauzet, the well-known French writer on insurance, well states the principle generally recognized as underlying property insurance when he says:—

"A general principle which controls all matters of insurance is, that the contract can never be made a source of gain to the insured; for him insurance is only a means of indemnity. The only province of the contract is to assure him an equivalent for the subjects at risk, should they happen to perish or suffer damage. * * * One cannot insure that on which he runs no risk of loss. Insurance ought never to be a source of profit to the insured; this principle should be maintained with the utmost strictness."

Although it is a recognized principle by all the courts that insurance "ought never to be a source of profit to the insured," and though the attempt to thus profit is in violation of the laws of ethics, yet a good many people, who would not cheat a neighbour or knowingly defraud a creditor, and who are fairly regarded as generally honest, seem to see no breach of good faith or moral delinquency in getting a thousand dollar payment if they can from an insurance company for an eight hundred dollar loss. We do not now refer to all to that class of people who deliberately design, by over-insurance and sharp—not to say criminal—practices, to swindle the insurance companies, but to the still larger class, who harbor the mistaken notion that the face of the policy represents the sum to which they are entitled, because a premium on that sum has been paid. Fortunately, the number of such is constantly diminishing, as the educating process incident to almost universal insurance of property goes on, and the press and the ruling of courts emphasize the underlying principle that simple indemnity is in all cases the equitable measure of loss. Another generation will doubtless do away largely with the opposite fallacy, and render adjustments less difficult and more equitable.