

The Fire Inquest terminated, it was expected that an investigation of the loss caused by the fire would be made by the Insurance Agents, but the Agents had no such intention—on the 6th of September they called on the Insured, but instead of proposing an investigation of their books, raised objections as to the manner the books had been kept, urged the length of time that had elapsed since taking stock (twenty months), that the stock when last taken was not weighed, counted, nor measured, which was untrue, as the stock had been properly taken; that as to some of the items in the stock book they would swear (not the least doubt of it) that the articles had been lumped, and without other explanation as to their intentions left the Insured. During the interview, however, in reply to a question put by them to Mr. Smith, book keeper for the Insured, as to the length of time that it would take to go over the books and make out a statement, they were told two or three months at least. Within an hour afterwards McDonough & Kent received a letter, signed by the Agents, stating that the Insured were referred to the conditions endorsed on their policies, as to the particulars of their claim for loss, and that no waiver of any of the conditions would be made. The Insured then made direct application for time to prepare their particulars of loss, which was refused. This fact, together with the receipt of the letter, apprised Messrs. McDonough & Kent of what they had not before suspected, and that was the determination of the Insurance Companies to avoid the payment of their loss if possible, and to succeed they would be quite indifferent as to the means they adopted—not because that there was any doubt as to the good faith of the loss, or that it had not been sustained, but rather from an unwillingness to pay their debts. It has never been disputed that according to the contract with the Insurance Companies, Messrs. McDonough & Kent were bound to deliver their account of loss after the fire within fourteen days, and such being the contract, if they did not do so they would have no right to complain of the Insurance Companies. The claims of McDonough & Kent against the Companies was \$38,000; the business they carried on was one of the most extensive in the City of London; to make out an account in detail required time, and the circumstances in connection with it demanded that the conditions should not be enforced, particularly when by doing so the Insured were likely to be prejudiced by the entire loss of their claim, and the Insurance Companies could be in no way benefited, if the desire was only to secure the delivery of a correct claim, but if the object of insisting upon the performance of the condition was to take advantage of the Insured, such conduct deserves public condemnation, and let it be understood that Insurance Companies whenever an account can be delivered within fourteen days, have no objections to extending time, on the contrary, where the account cannot be delivered within the time, an extension of time will not be granted. Surely the great English Insurance Companies have not in this transaction shown themselves to be troubled with much liberality. The truth is, the great Royal Insurance Company, and the other lesser Companies, English though they are, after all their self-puffing, particularly as to their liberality in the settlement of losses, will not hesitate to avail themselves of a mere subterfuge to avoid payment of a loss, in fact saying in effect, Messrs. McDonough & Kent: Gentlemen—The conditions of your policies require an account in detail of your loss, to be delivered to us within fourteen days after the fire. You have by your own simplicity lost six days at the inquest; only eight days remain to make out a claim, which, we understand, will require upwards of two months in its preparation. Still, give us the account within the eight days, or we will take advantage of a condition in our policies, which will preclude you from recovering anything. Will any person after reading the letter, of Sept. 6th, consider that McDonough & Kent had not good reason for supposing that the intentions of the Insurance Companies from the first appeared to be to evade payment by insisting upon the performance of conditions that could in no way benefit them, except that the non-performance by the Insured would constitute a good defence to an action brought for the insurance money. Subsequently, when the accounts are delivered, made up, as they had been, in haste, caused entirely by the Insurance Companies, they charge the Insured with rendering a fraudulent claim; they do not hesitate to take advantage of mere clerical errors and omissions, which, in the nature of a large business, will occur, in order to avoid payment. The Insurance Companies have, no doubt, by this time learned that a firm whose sales in 20 months amounted to \$250,000 were not to be tricked out of the insurance, for so soon as they understood that their claim, if paid at all, would be through the intervention of a Court of Justice, upwards of 50 clerks, assistants and accountants were set to work in the preparation of the claim, and the Insured were in a position about an hour before the expiration of the last day to deliver as particular statement of their loss as the circumstances of the case, and the short time allowed, admitted, the loss appeared to be \$31,000, but an affidavit served with the claim explained that while the Insured did not believe their loss to be so much, they did believe it to be \$38,000 or thereabout. Subsequent investigation reduced the loss to \$48,000. Sometime after delivering to the Insurance Companies particulars of the loss, the Agents, Alexander Davidson for the Royal; James Davidson for the Phoenix; F. A. Ball for the Liverpool and London; W. Blight for the Provincial, and Frederick Cole for the Commercial Union, met at the Tecumseh House, in London, to investigate the claim. At this meeting the Agent of the Royal, disgusted with the illiberal