

however, phases of the same movement, the movement arising out of financial operations other than buying and selling merchandise. The excess of imports into Great Britain represented receipts for interest on loans and services not included in Custom House returns, and the excess of exports from the United States represented payments for interest on loans and for services, Great Britain being the creditor nation of the world, and one rendering services for which she draws heavy receipts, while the United States is a debtor nation and one perpetually using services that involve heavy payments that are made by exports of produce and raw materials

CONDITIONAL DELIVERY OF INSURANCE POLICIES.

The agent of an insurance company issued two fire policies and delivered them to an agent of the insured subject to their being approved by the company. Before they were approved of the property was destroyed by fire, and the insured, who had possession of the policies, sued upon them. The trial judge in the District of Columbia, dismissed the action but this was reversed on appeal. Upon a further appeal to the Supreme Court of the United States the judgment at the trial in favour of the insurance company was restored. Mr. Justice Brewer delivered the opinion of the court. The question, he said, narrows itself to one whether there can be a conditional delivery of an insurance policy. If there can be, then, as there was a failure of the condition, these policies had no binding force at the time of the fire. That as to contracts generally, there can be conditional delivery, and that the failure of the condition prevents the contract from taking effect, is not doubted. In this court the question is at rest. The Supreme Court therefore held, that the operative effect of a policy of fire insurance may by oral agreement between the agents respectively of the insurance company and the insured, made at the time the policy was issued, be made to depend upon the company's acceptance of the risk; and this, notwithstanding various provisions of the policy restricting the powers of agents to alter its terms, and requiring all additional terms and conditions to be endorsed thereon in writing, as such provisions apply only when the contract has been completed by absolute delivery. (Hartford Fire Insurance Co., Wilson 23 Supreme Court Reporter 189.)

LIFE INSURANCE AND CIVIL EXECUTION.—Some creditors of one Burt held a policy upon his life issued by the Union Central Life Insurance Company. Burt was convicted of murdering his wife and was hanged for the crime. The creditors then, in a Texas Court, sought to collect the insurance, and alleged that notwithstanding such conviction,

sentence and execution, the insured Burt did not in fact commit the crime of murder, nor participate therein, but that, if he did, the policy was not avoided because he was at the time insane. The policy was an ordinary one of life insurance and contained this provision: "Third, if the insured should without the written consent of the company at any time enter the military or naval service, the militia excepted, or become employed in a liquor saloon, or if the insured should die by self destruction, whether sane or insane, within three years from the date hereof this policy shall be null and void." The Supreme Court of The United States has decided in favour of the insurance company. They hold that a policy of life insurance does not insure against the legal execution of the insured for crime, even though in fact he may have been innocent and therefore unjustly convicted and executed. In arriving at this conclusion Mr. Justice Brewer, who gave the judgment of the court, said:

See, to what any other conclusion would lead. Suppose beneficiaries at the time of the trial of the insured for murder were possessors, and the sole possessors, of a knowledge of facts that would establish his innocence. As good citizens it would be their duty to furnish that evidence, and thus prevent a miscarriage of justice. As beneficiaries it would be their interest to withhold that evidence and thus let an innocent man be punished. Can a contract be upheld, which is not only a wager upon the result of criminal proceedings, but also tends to place before individuals an inducement to assist in bringing about such miscarriage of justice? (Burt v. Union Central Life Insurance Company, 23 Supreme Court Reporter 139).

ELEMENTS OF LIFE INSURANCE.

Although there are countless possible varieties of insurance, they are all, however complicated, compounded of very simple elements, which are pointed out by a New Zealand writer. For example, an endowment (not an endowment insurance) is familiar to all as being a sum of money, say £1, payable at a certain age *if the life endowed be then alive*. Of 89,865 persons living at age 30, there will remain (by the Hm Mortality Table) 58,866 alive at age 60, and the single premium at 30 for an endowment of £1 at 60 will be that fraction of £1 represented by $\frac{58866}{89865}$, after discounting it for the term of thirty years at the chosen rate of interest. In the same way we may take endowments payable at the end of one year, two years, and so on to the limit of life, and an *immediate* life annuity of £1 per annum at age 30 will be seen to be the sum of a series of endowments of £1, each payable at the end of one year, two years, and so on up to the limit of