THREE BARGES SWEPT OUTSIDE OF CORNWALL CANAL.—An accident occurred at the Dickinson's Landing yesterday, which is likely to fall heavily upon the insurance companies. It may be known that the current sweeps out from the shore, and past the canal abutment with such force as to compel steamers having barges in tow to "snub" at the wharf and allow their tows to swing round and so drop into the canal. As the small tug "Advance" was attempting this yesterday, the tow-line broke, allowing three barges to be carried away. These, as a matter of course, struck upon the shoals and now lie wrecked with their heavy cargoes of wheat either at the head or below the Long Sault Rapids. It has been impossible to ascertain their exact position, or the amount of damage suffered from the telegrams so far received, but the difficulty of reaching them and the swift current makes it certain that the loss will be heavy. The following are the particulars, so far as we have been able to learn of the owners, consignees, insurances and quantjty of grain imperilled: The "Utility," Chaffey & Co., about 15,000 bushels, owner unknown; the "Argo," Glassford & Jones, and the "Leo," same owners, freighted together with about 21,000 bushels, consigned to Grant, Hall & Co., and James McDougall. The total insurance amounts to abount $70,000 American currency, and is held by Western Companies, either at Milwaukee or Chicago. —*Montreal News.*

DESTRUCTIVE FIRE AT BRANTFORD.—A fire broke out here on the morning of the 5th on Colborne street, entirely consuming five stores, together with portions of the stock-in-trade. The following is the list of sufferers: B. G. Tisdale, stove warerooms, loss on building, $1,000; stock $2,000; insured. Ryan's grocery store, owned by Joseph Thompson, loss $600; no insurance; Ryan's stock, $400; no insurance. M. Finnessey's grocery, loss on building, $1,000, and stock $1,000; both insured. C. Wilson's shoe shop, loss on stock $3,000; not insured. Joseph Thompson, jeweller, loss on stock $200; no insurance. Thos. Hardy's hat store; loss on stock $2,000; no insurance. The last three stores are valued at $2,000, and are insured in the London and Liverpool.

Petroleum.

COAL OIL STORAGE.—The following letter from C. J. Brydges was read by the City Clerk at the last meeting of the Montreal City Council.

My Dear Sir.—The late fire at Middleton's coal oil store renders it necessary that some immediate steps should be taken to provide proper storage accommodation for the oil that is now coming down to Montreal. I have so far declined to put in another siding, as the position of the store which was not destroyed, with reference to the creek running through the city, would cause another fire at the same place to be exceedingly dangerous. I am not aware that the position of the store that was burnt is outside the limits of the corporation of the city of Montreal; but is so near those limits that considerable danger would, I think, arise again if the present store house were to catch fire, or a new building were to be erected on the same place as the one which has been burnt. I write, therefore, to enquire whether the corporation of the city of Montreal has any desire to communicate with the municipality outside the city limits with a view of coming to some arrangement which would prevent the possibility of danger arising from the storage of large quantities of coal oil. It is quite clear that some place must be provided for the storage of this article, and it might be worth while considering whether it would not be better to place it on the opposite side of the river, where, if a fire did occur, less damage would be likely to result, I am, my dear sir, yours faithfully,

C. J. Brydges.

Hy. Starnes, Esq., Mayor of Montreal.

His Worship said this was a matter of very great importance, and he suggested the letter to be handed over to the Fire Committee. The shipping in the harbor was in danger, and was only saved by the exertions of Mr. Perry and others, and there was a probability of half the city being burnt. They had no control over such stores outside the city limits, but they might have some influence.

Coun. Bernard, asked if it did not require immediate attention; if it went through the ordinary channel much damage might be done before anything was settled. He would prefer leaving it in the hands of his Worship. The consideration of the extension of the city limits was rendered still more necessary in this light, in order to bring matters of this kind under the control of the city. They would have to have more room, and when they wanted places of deposit and cholera hospitals, they found how inconvenient the present state of things was. He hoped that members who formerly opposed the extention of the city limits should now support the measure. He hoped the matter of coal oil storage would be referred to his Worship, as he thought that the best course.

His Worship thought he might as well be authorized to make some arrangements in the matter.

Coun. Bernard, moved that Mr. Brydges' letter be put in the hands of the Mayor, and that he be requested to consult with the municipality of the parish of Montreal concerning the same. Carried.

Law Report.

EFFECT OF THE PROVISIONAL RECEIPT.—In the case of Patterson vs. The Royal Insurance Company, the judgment of the Court of Chancery is in favour of the plaintiff. The Chancellor, in delivering the opinion of the Court, said:—The receipt issued in this case is headed "Agents' Provisional Receipt." It is in the form issued in blank to the agents of the company for use. It is filled up by the agent, and acknowledges the receipt of $40, being the premium of insurance on property, &c., for twelve months, and for which a policy will be issued by the Royal I. Co. within sixty days, if approved by the manager in Toronto, otherwise this receipt shall be cancelled, and the amount of unearned premium refunded, and at the bottom appears: "N.B.—This receipt will be void should camphene oil be used on the premises." I take this receipt to contain a contract for an interim insurance—that is, till the transaction evidenced by it is rejected by the manager. The provision for the return of unearned premium shows that the insurance was to take effect at once, and the condition for making the receipt void in case camphene be used, must imply an immediate insurance continuing on the receipt till it is superseded by rejection, when it is to be cancelled or by a policy. The evidence of the manager shows that the agents were authorized to issue these receipts, and that the company had always treated them as creating insurance till they were disapproved by the manager. I should, I think, hold that by means of this receipt, and the payment of the money which it acknowledges, an insurance was effected binding on the company, and that it continued to be binding up to and at the time of the fire, no rejection of it having taken place in the meantime. The company, it is true, had no opportunity to reject, because their agent had never informed the manager of the risk; but they, not the plaintiff, must suffer by his neglect or fraud. The plaintiff was not bound to see that McLeod did his duty to the company. He had a right to presume that this was done, and he heard nothing to the contrary. We know that very often policies do not issue, parties insured resting upon their receipt as evidence of the fact, and though the plaintiff might have demanded a policy and required and enforced one after sixty days, yet I cannot hold that he lost or abandoned his insurance by neglect to do this. It is proved that the manager issued settled forms of policy, which, with the seal of the company, were transmitted to him from England in blank to be filled up and issued by him. I think it must be intended as against the company that it was one of those policies they contracted to issue by the receipt, and that to one of these the plaintiff would be entitled, unless the insurance was rejected or was altered, and special power of policy stipulated for. The plaintiff could not insist on any better terms than those usual forms of policy would have given him; and to one of those I think him entitled, unless his action in regard to the Western Insurance Company from his claim on the Royal Insurance Company. Looking at the fact that McLeod was agent for both companies—that the plaintiff did not contract with the Western Insurance Company, nor authorised McLeod to do so for him—that McLeod concocted the papers in plaintiff's name with that company, and prepared the affidavit which plaintiff made to sustain it at a time anterior, so far as I can see, to any knowledge by plaintiff of the attempt of McLeod to transfer the risk to the Western, that McLeod's act was a fraud by which he hoped to get rid of the earlier fraud practised on the Royal by acknowledging the money paid to him by plaintiff, and concealing the transaction from the company, the necessity in his mind, therefore, for immediate action. I think I am not drawing an unreasonable conclusion, looking, besides, at the plaintiff's conduct afterwards, that he, the plaintiff, really did not understand when subscribing the affidavit prepared by McLeod, that he was making a claim on the Western or any claim other than upon his original insurance which had been effected with the Royal eight months previously. I think the evidence shows that on the morning of the 21st July, McLeod, hearing that the inspecter of the Western Insurance Company was coming down, hurried out to plaintiff with the receipt issued in the name of the Western Insurance Company, and instructed him that when the agent went out to the plaintiff he was to show him the latter receipt and say that his claim rested on it—the plaintiff seems then at once to have felt that there was something wrong, and without waiting to see the inspector or attempting to impose upon him or aid McLeod in his fraud, comes on at once on the same day to his legal adviser, tells him the whole truth, has it explained to the agents of both companies, for whom McLeod had been acting, and makes his claim upon the Royal, admitting that he has no claim upon the Western. I cannot, under these circumstances, I think, hold that plaintiff abandoned his right to look to the Royal, or made an insurance in the Western in substitution or otherwise, but that what was done in his respect, was done by McLeod, and the plaintiff made an innocent instrument for him in the matters.

Decree for plaintiff of amount of insurance and interest according to the terms of the policy as if it had issued, and costs.

LIABILITIES OF SHAREHOLDERS IN MUTUAL COMPANIES.—A special sitting of the Division Court was held on Tuesday, before Judge Lawder, for the trial of a number of interesting cases, wherin the Niagara District Mutual Fire Insurance Company figures as complainant against a large number of policy holders, the company suing for assessments due on premium notes. The amounts of the various sums claimed as due the complainants range from $2 to $80 on each policy. The undefended cases were the only ones disposed of by the court, the company being unprepared with evidence to prove their claim in cases where a defence was entered. A special session of the court will be held in November next for the trial of the remaining cases, by which time the company will be ready to produce evidence, and the defendants will also, it is presumed, be ready to "show their hands." As near as we can get at it, the question at issue is, whether the company can legally or honestly collect from the policy holders of the present any sums for the liquidation of old debts contracted prior to the defendants entering the company, and over which such an interesting fracas occurred a couple of years ago—nearly resulting in the disruption of the company. The defendants in these cases claim that they are in no wise responsible for the debts or the mismanagement of the company's affairs in the past; while the company claim that, by becoming policy holders, they are. It seems to be a weakness of all "Mutual" Insurance Companies to be continually in trouble, from the fact that there are generally too many "cooks," who, when numerically too strong, invariably, if we are to believe early maxims, "spoil the broth." We have seen the effects of infernal discord exemplified not only in the Niagara District, but in the Clinton, Gore and other associations. Indeed, to such an extent have the squabbles been carried that many have abandoned the "mutual" principle in insuring their property, preferring to pay their money to stock companies, where the policy holder pays for his policy, and has no further liability.—*St. Catharines Journal.*

THE TRAMWAY COMPANY VS. MR. CAMPELL.—This was an action brought by the Orangeville Tramway Company against Mr. William Campbell, of Mono Mills, for the recovery of $30, being the amount of a call of ten per cent on shares held by the defendant in the subscribed capital stock of the company. The case was tried before his honour Judge McDonald, at the last sitting of the Ninth Division Court for Wellington, and decision reserved till the 26th inst. For defence it was argued that the defendant held no shares in the Company, and that the Provisional Directors were not empowered to recover calls on it in the corporate name of the Company, until $20,000 of the Capital Stock had been subscribed. For the prosecution it was proved that the defendant was the owner of thirty shares; that a call of ten per cent had been duly made thereon by the Provisional Directors; that according to the articles of agreement which each shareholder was required to sign, on subscribing for shares, and which were embodied in the charter, such call might be made as soon as $5,000 were subscribed; that