

poration lays down in its printed application a limit of age beyond which under no circumstances it will go, then the above rule of simple correction is hardly just; for the corporation has been unwittingly drawn into a contract which, had the applicant's true age been known, would never have been issued. The principal Act is therefore now amended by allowing the insuring corporation the right of declaring the contract void within thirty days after such an error in age comes to its knowledge.

The act of 1895 now makes the law clear that in any contract of insurance the application is to be considered in conjunction with the policy or certificate; and provides that the Court shall determine how far the insurer was induced to enter into the contract by any material misrepresentation contained in the application. The question, what is a material misrepresentation is however still, as it has always been in our law a question for the jury. Cases are so frequent of late in which juries, apparently with the motive of excusing improper verdicts, have declared the most vital mis-statements to be immaterial, I am free to confess my fear that, if we are to be saved from organized frauds upon insurance societies and companies the decision of this question of materiality may have to be wholly withdrawn from juries. I shall read to you the questions put by the judge and the answers rendered by the jury in an actual suit brought a few months ago against a friendly society in Toronto. In these questions I have substituted the name of John Smith for the actual name of the deceased certificate holder:—

Questions put by the judge to the jury, and the answers of the jury thereto:—

Q.—Was the statement made by the late John Smith respecting his age and the date of his birth in his application, true or false?

A.—False.

Q.—If such statement was false, was it false to the knowledge of the late John Smith?

A.—No.

Q.—Was the statement made in good faith and without any attempt to deceive?

A.—Yes.

Q.—Was the answer "no" opposite the word "dropsy" amongst the answers to questions respecting complaints on the second page of the same application, true or false?

A.—False.

Q.—If false, was the said answer false to the knowledge of the late John Smith?

A.—No.

Q.—Was the statement respecting his age and the date of birth material to the contract?

A.—No.

Q.—Was the answer to having had dropsy or not, material to the risk?

A.—No.

Q.—Was the answer to the question "have you ever had any serious illness or personal injury," true or false?

A.—False.

Q.—If false, was it material?

A.—No.

Q.—Is the answer to the question "when were you last confined to the house by sickness," true or false?

A.—False.

Q.—If false, was it material?

A.—No.

Q.—Is the answer to the question "when and for what have the doctor

services been required," true or false?

A.—False.

Q.—If false was it material?

A.—No.

On the answers by the jury to the questions submitted to them, the judge gave judgment for \$2,000.

When a friendly society is incorporated and registered by Ontario, and is not by the law of Ontario forbidden from transacting business in another Province, the transaction of business in that other Province is a question for that Province to determine; and when that Province by a comity usual among states and provinces, acquiesces, Ontario makes no objection to the arrangement. This, the act of 1895, makes clear by an amendment to section 22 (2) of the principal act. In furtherance of such arrangements it is also now provided that the president of the Ontario society need not necessarily be a resident of Ontario; but as enacted by the principal Act the secretary and the treasurer of the society must still be so resident.

Under the old law the declaration of incorporation filed by the society became its charter, defined its objects, prescribed its methods and limited its powers. No machinery existing for amending this charter, difficulties have arisen when the declaration contains inconsistent provisions, or vexatious restrictions or requirements. Similar difficulties have arisen under constitutions and by-laws founded upon those declarations. In a proper case the Registrar of Friendly Societies has now, under the act of 1895, power to grant relief and to validate amendments which otherwise would have been ultra vires of the society.

Some other cases also are covered, where the validity of amendments heretofore or hereafter made in the constitution and rules of societies may be brought in question, and it becomes a matter of vital importance to remove the doubt. It is not intended that societies shall invoke this jurisdiction of the Registrar except in cases of real weight, difficulty and urgency.

A vigorous argument lately arose over the question, how long does the liability of a member for unpaid fees, dues and assessments, continue to accumulate? The principal Act provides a simple mode of withdrawal, the member has only to give written notice of withdrawal and pay up his fees, dues and assessments of which he then has had actual notice. But suppose the member discontinues payment and gives no notice of withdrawal, how long would his liability continue to accumulate? In the recent case before our courts, it was, I believe, claimed that the society could recover for a period of six years, that is for the whole period allowed by the statute of limitations in the case of simple contract debts; and in numerous American cases where assessment insurance was in question, the courts have held the society or association entitled to recover for an extended series of assessments. Those courts, in at least some of the cases, were impressed with the alternative that, to hold otherwise, would permit the members of any insurance society by concerted action to work a general repudiation of the society's actual debts. This result is obvious enough; but the reasoning is too general for a good working rule. In fixing a limit to the member's liability, we must, I think, be guided by the question, how long does a defaulting member retain a thirty days' grace allowed by statute; most societies give a further period right of reinstatement, during which the member, on paying the sum in default, is without medical examination, permitted to receive his insurance policy or certificate at the same rate of monthly premiums as before.

The member may have reached such an age as to make him uninsurable elsewhere, and during the period of his non-payment of dues and assessments he may have been struck by such disease, or may have received such physical injuries as involve a fatal result; he is nevertheless entitled to resume his former status and privileges upon the simple payment of the default, and to reinstate his insurance certificate, which visibly, will in a few months, become a claim on the society for \$1,000, \$2,000 or \$3,000 according to the amount specified in the certificate. Here we plainly have a valuable right; and with the right of reinstatement should also run the obligation to pay for that right; the right and the obligation should be correlative and co-terminus. Some societies add a still further period of indulgence, during which the member has a qualified right of reinstatement, the qualification being that during this final period there must be a satisfactory medical certificate before reinstatement. Even as thus qualified the right is a valuable one for the member, though now perhaps beyond the admissible age for insurance in that society or any society, is re-admitted at the same rate as he paid at his original entry into the society. This final period of indulgence, is not, I believe, in any registered society carried beyond twelve months from the commencement of the member's default; and upon the principle just laid down, twelve months should therefore be the extreme limit of the member's liability for unpaid fees, dues and assessments. Upon this basis the enactment of 1895 proceeds; it does not say, as some have supposed, that in any given case the defaulting member shall be liable for twelve months' default; but it says that "in no case,"—that is no matter what the contract or the constitution or rules of the society, or the common law or prior statute law may be,—shall the liability cover a period of more than twelve months. Many of the societies by their constitution and rules limit the period of reinstatement to three months. It was the case with the Canadian Relief Society; and accordingly in that case the judge following the obvious equitable principle before mentioned and cases decided thereon in England, limited the member's liability to the same period of three months during which the right of reinstatement existed. The new Act enables societies to make it clear by their constitution and rules what is the precise period of liability in the case of defaulting members; and where such enactment of the society receives the assent of the Registrar of Friendly Societies, it becomes binding and obligatory upon the members. In fraternal societies the payment of honest death claims ought to be regarded as a sacred and inviolate duty, not only to the dead brother, but to his surviving dependents. To him and to them the faith of the society was pledged, and, if the society becomes insensible to its duty, the courts should be vigorously invoked to quicken its conscience. The day is past for technical defences to honest claims, or for liquidating debts with smooth phrases. Widows and orphans want their money, not sympathy. The society's maturing obligations must be provided for; and when they have matured, they must be paid without delay or abatement. During the past year a number of our friendly societies have heard these wholesome truths preached by their own executive officers, and have reformed their premium rates so as to make them more adequate to the large liabilities undertaken. This movement augurs well for the future of those societies. It was, and is, by such plain straightforward dealing with difficulties that those grand old English societies, the Ancient Order of Foresters and the Manchester Unity, first won, and have ever since retained, the confidence of the people of England. In many other respects those great societies are worthy of our imitation. Their inexpensive management, their jealous care of the society's funds, their searching audits, and their prudent investments are full of instruction. Upon your management as executive officers depends the future of our

friendly societies in Ontario. Do not offer more in your certificate than any one can possibly perform. By careful selection, skilful medical examination, and close economy, very large advantages can be gained, but there is such a thing as an impossible contract. By no means of competition be lured into promising impossibilities. Lastly a word as to the care of the funds. You stand in the position of trustees to the working classes of Ontario, you are handling special trust funds, trust funds that beyond all others need and deserve your vigilance as well as the vigilance of the state, for they contain the savings and investments of the poor. Often it is only by the most painful thrift and self-denial that the industrial classes keep their certificates alive. This fact is daily brought to your knowledge, and should in the most powerful way appeal to you, when you are pressed to any course of action which either would endanger the funds of the society, or would delay or impede the payment of a claim.

Initiations in July, 1895.

Initiations du Mois de Juillet, 1895.

Br.	Initiated
70.....Belleville, Ont.....	4 members.
187.....Sturgeon Falls, Ont.....	3 "
29.....Montreal, Que.....	2 "
44.....Arnprior, Ont.....	2 "
47.....Arthur, Ont.....	2 "
53.....Montreal, Que.....	2 "
56.....Deseronto, Ont.....	2 "
160.....Halifax, N. S.....	2 "
162.....Moncton, N. B.....	2 "
163.....Shediac, N. B.....	2 "
190.....Montreal, Que.....	2 "
193.....St. J. Baptiste, Man.....	2 "
201.....Alexandria, Ont.....	2 "
247.....Fraserville, Que.....	2 "
248.....New Glasgow, N. S.....	2 "
7.....Sarnia, Ont.....	1 "
12.....Berlin, Ont.....	1 "
15.....Toronto, Ont.....	1 "
22.....Wallaceburg, Ont.....	1 "
23.....Seaford, Ont.....	1 "
38.....Cornwall, Ont.....	1 "
46.....Walkerton, Ont.....	1 "
61.....Merriton, Ont.....	1 "
77.....Lindsay, Ont.....	1 "
79.....Gananoque, Ont.....	1 "
81.....Smith's Falls, Ont.....	1 "
95.....Lach, Que.....	1 "
96.....Levis, Que.....	1 "
108.....Quebec, Que.....	1 "
110.....Quebec, Que.....	1 "
113.....Waterloo, Que.....	1 "
132.....Halifax, N. S.....	1 "
147.....Portage du Fort, Que.....	1 "
158.....St. V. de Paul, Que.....	1 "
163.....Winnipeg, Man.....	1 "
168.....Amherst, N. S.....	1 "
173.....Belle River, Ont.....	1 "
197.....Front Creek, Ont.....	1 "
202.....Chatham, N. B.....	1 "
206.....West Pubnico, N. S.....	1 "
211.....Rat Portage, Ont.....	1 "
215.....Summerside, P. E. I.....	1 "
216.....Charlottetown, ".....	1 "
224.....Murray Bay, Que.....	1 "
233.....Plantagenet, Ont.....	1 "
240.....St. H. de Monr., Q.....	1 "
244.....Halifax, N. S.....	1 "
253.....Maniwaki, Que.....	13 "
254.....Kensington, P. E. I.....	14 "

Total..... 92

N. B.—The initiations in the last two branches are charter members.

Les initiations des deux dernières sociétés sont des membres fondateurs.

HONOR ROLL.

Branch No. 76, Belleville, Ont., heads the honor roll for the greatest number of initiations in the month of July, having initiated four members.

Branch No. 187, Sturgeon Falls, Ont., comes next in order, having initiated three members.