
Reports and Notes of Cases.

Dominion of Canada.

SUPREME COURT.

Que.] LAFOREST V. FACTORIES INSURANCE CO. [May 2.]

Fire insurance—Statutory conditions—R.S.Q., 1909, arts. 7034-7036—Conditions of application—Conditions indorsed on policy—Keeping and storing coal oil—Agent's knowledge—Waiver—Adjustment of claim—Offer of settlement by adjuster—Estoppel—Transaction.

As required by article 7034 of the Revised Statutes of Quebec, 1909, the statutory conditions were printed upon the policy of insurance, the application for the insurance did not refer to them but contained a condition that the insured should not use coal oil stoves on the premises insured. At the time the premises were destroyed by fire, coal oil was kept and stored there in excess of the quantity permitted by clause 10 of the statutory conditions, without written permission of the insurance company. The company had given no written notice to the insured pointing out particulars wherein the policy might differ from the application as provided by the second clause of the conditions.

Held, Brodeur, J., dissenting, that the law did not require the statutory conditions to be referred to in applications for insurance; that all applications for insurance to which the Quebec legislation applies must be deemed to be made subject to those conditions, except as varied under articles 7035 and 7036 Revised Statutes of Quebec, 1909, and that there was no necessity for the insurance company to give notice, as mentioned in the second clause of the conditions, calling the attention of the insured to the conditions indorsed upon the policy of insurance.

Per curiam.—Knowledge by an agent soliciting insurance that coal oil, in large quantities, was kept and stored upon the premises to be insured does not constitute notice of that fact to the company insuring them, nor does notice that coal oil in such quantities was kept stored upon the premises prior to the insurance involve knowledge that it would be kept there afterwards in violation of the conditions of the policy.