

the approval of the head office and the conditions of the company's policy; and the following statement appears at the foot of it: "Unless previously cancelled, this receipt binds the company for 30 days from the date hereof and no longer, after which time the risk shall be considered to be cancelled and of no effect. If the insurance be declined, the amount received will be refunded, less the premium for the time insured; if confirmed, a policy will be issued in due course."

Assuming that the agents had no authority to bind defendants to an insurance for 12 months, and that all they were authorized to do was to receive the application and to grant an interim receipt in the form in which that issued to plaintiffs was drawn, and that plaintiffs must rely upon the acceptance by defendants of the contract which plaintiffs had proposed to them through their agents, and the policy issued upon their application and sent to them—are plaintiffs precluded by the provisions of condition 10 from recovering for their loss?

It is to be noticed that there is nothing in the application form or in the interim receipt to indicate that defendants will not or do not undertake to insure against loss any one who is not the owner of the property insured, and nothing to indicate that, in order that the insurance applied for shall operate, if the insured is not the owner of the property, he must state what is his interest in it.

It is apparent that the appellants did not deem it important that they should know what the interest of plaintiffs in the property really was. The application form contains no less than 40 questions, and not one of them is pointed, directly at all events, to ascertaining what the interest of the applicant in the property to be insured is. . . . The only question which is, even remotely, directed to such an inquiry, is the 30th, which seems to have been applicable to an insurance on buildings rather than to one upon personal property, and even that question is unanswered.

The provision of condition 10 is not that if the nature of the insured's interest is not disclosed in the application the policy is to be void, or that the policy is not to cover any insurable interest of the insured unless he is the owner of the property insured, but that the company are not liable for loss of property owned by any other than the assured, unless the interest of the assured is stated in or upon the policy.

The policy on its face contains a covenant on the part of defendants to make good to the assured all such loss or damage by fire, not exceeding the amount insured on the property, as should occur during the continuance of the policy;