

*Held*, on the evidence fully set out in the case, that the transaction was a bona fide one, and not merely a device to enable the E. company to invest in the stock, and that the E. company were therefore entitled, in winding up proceedings against the A. company to rank as creditors on the assets of that company. Finding of the Master-in-Ordinary reversed.

W. K. Cameron (of St. Thomas), and Shirley Denison, for E. company.

W. H. Hunter, for liquidator of A. company.

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Meredith. C.J.C.P.]

[Jan. 7.]

MERCHANTS FIRE INS. CO. v. EQUITY FIRE INS. CO.

*Fire insurance—Goods in existence at the time of fire—Termination of insurance—Notice of—Variation.*

Where by a policy of insurance against fire an insurance was effected by the owners thereof, wholesale dealers in coffee, etc., on "120 sacks of green coffee," stored in a specified warehouse, and which policy was a renewal of a similar insurance in force for some years, such insurance was not limited to the particular 120 sacks on hand when the insurance was effected, but covered similar stock in hand to the specified number of sacks at the time of a fire which subsequently occurred.

About a week before the fire occurred the insured wrote to the company's local agent that they decided to cancel the existing policy, and to have a new one issued for a reduced amount, but this was never communicated to the head office, or any action taken upon it, until after the fire had occurred.

*Held*, that this was not such written notice terminating the insurance as was required by 19 A. of the Statutory Conditions, being merely an intimation of the insured to have the existing policy cancelled when a new one was substituted for it, but which was never carried out.

Levesconte, for plaintiffs. Morton Jones, for defendants.

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Boyd, C., Meredith, J., Magee, J.]

[Jan. 7.]

REX v. SPEGELMAN.

*Gaming—Municipal by-law—Gambling in private house—Conviction quashed.*

A Municipal by-law provided that no person should permit any game of chance or hazard with dice, cards, or other device, to be played for money, liquor, or other thing, within any house, room, or place, the by-law purporting to be founded upon s. 549