

Lloyds in the old marine department, it is curious to note that insurances are still being effected upon the "Henry Clement," although she has been at sea for ten months. We should hardly know the overdue market if the H. C. disappears from the calculations.

John McCall's visit across here bids fair to be a tremendously busy one. Already his engagement book is crowded with entries. Hardly had the "Oceanic" cast anchor before the work begun. The president of the New York Life is giving everyone a sense of wonderful business grit and activity. If there should be any signs of dry rot in the New York Life's British outfit, they would have short shrift from John McCall. But there are not.

Restless and restless is a not inappropriate suggestion for a motto for the Ocean Accident and Guarantee Corporation. There is now issued from this office an "Advanced" policy, which includes sickness and accident insurance in one form, and altogether covers a quite unusual number of possible contingencies. Big business is already being done in this and it certainly seems that public taste is veering round more and more in favour of "omnibus" policies. They are so convenient.

Insurance companies with policyholders out with the African armies are finding but a small decrease in the number of their death claims. Whilst no pitched and sanguinary battles have been fought recently, fell disease is working terrible havoc amongst the best and bravest. But the tale is almost ended now.

#### A BREACH OF WARRANTY CASE.

"The plaintiff has violated the warranty contained in the application that he should be co-insurer to the extent of one third of the cash value of the property insured, and the effect of this breach of warranty is the nullity of the policy."

"In consequence, the defendant is not bound towards the plaintiff, and I dismiss his act on with costs."

Such is the decision of Mr. Justice Archibald in a case of much interest to fire underwriters. The plaintiff in the suit, Jean Pharand, having purchased a property upon which some insurance had already been placed in the Guardian Assurance Company, effected further insurance with the defendant, The Lancashire Insurance Company. A warranty contained in the application for insurance stipulated that the insurance should not exceed two-thirds of the cash value of each item insured. A fire having occurred, the plaintiff's statement of loss upon being examined by the defendant company was considered to be far in excess of the value of the insured buildings, and it was also discovered that a part of the insurance existing upon the property was unknown to the defendant until after the loss occurred.

The principal points enlarged upon in the judgment of the Court were thus stated:

The defendant meets the plaintiff's action, admitting the issue of the policy of insurance admitting notice of previous insurance to the amount of \$650 upon the dwelling house; denying notice of insurance on the kitchen and shed; admitting notice of the happening of the fire; denying notice of proofs of loss, and denying or declaring that they are ignorant

of all other essential facts of the declaration.

Defendant pleaded by substantial plea that the insurance in question was granted under the terms of an application made by the plaintiff to defendant, and subject to the ordinary conditions of defendant's policy under the warranties and representations made and contained in the application; that one of said warranties was that the total insurance on each item of the property to be insured should not during the pendency of such insurance exceed two-thirds of the cash value of such item; and also under the further warranty contained in said application that the only other insurance on any part of said property was an insurance for \$650 on the first item thereof, to wit, the house only, in the Guardian Assurance Company; that it was stipulated among the conditions of the policy which formed part of the contract between plaintiff and defendant that notice of all previous insurance upon the property insured should be given to defendant and endorsed on said policy, or otherwise communicated to the said defendant in writing at or before the time of making said insurance, otherwise said policy should be of no effect; that plaintiff violated this condition of the policy and did not give notice of two insurances, each for the sum of \$50, existing upon the kitchen and shed insured by the policy now in question, in the Guardian Assurance Company, whereby the said policy became void and of no effect; that, moreover, at the time of effecting said insurance plaintiff over-valued the property insured and violated the condition and warranty contained in his application that the insurance upon any item should not exceed two-thirds of the cash value thereof; that as a matter of fact the insurance upon the different items of said policy did exceed to a large extent two-thirds of the cash value thereof, and that by the breach of the said warranty said policy became void. And defendant further pleads that by the condition of the policy it was stipulated that no action upon the policy should lie in favor of the plaintiff until the amount of loss had first been determined by the arbitration of a person or persons to be chosen by both parties, and in case of disagreement between the two chosen by the parties, the third to be appointed by the persons first chosen; that the plaintiff did not comply with the said condition of the policy in any manner, and his action is, therefore, not maintained.

Defendant further pleaded that it was a condition of the policy that, if the plaintiff made in his application any false representations, that the policy should become void; that plaintiff did make such false representations, representing the value of the house insured at the sum of \$4,000, of the kitchen at the sum of \$400, and of the shed at the sum of \$300, and the household furniture at the sum of \$900, whereas in truth, the total value of the buildings including the land, to wit: 24 acres, did not exceed the sum of \$1,500, for which sum on or about the 21st of April, 1898, plaintiff purchased said property from one Dansereau, by deed passed before Joseph L. O. Deslants, and the buildings on said property had been valued by the said Dansereau, previous proprietor, at the sum of \$1,450, in the application made by him to the Guardian Assurance Company, whereby said insurance was and is null and of no effect. And it was further stipulated as a condition of said policy that fraud and false swearing should cause a forfeiture of all claims upon the said company; that plaintiff was guilty of fraud and false swearing in