

A CASE OF "MIND YOUR OWN BUSINESS."—A field man need not run an actuary shop, says the "Union Casualty Bulletin." He need not let any of the vexatious problems of accident and health insurance bother him. He does not have to, and unless he wants to make that feature his home work, he had better let it alone. He should leave that to the fellows at headquarters, who are paid for that sort of thing, and while passing from one prospect to another, figure on whether the next and the next and so on through his list can be insured, and if they are able to pay the premium. Let him talk to all of these to insure them, avoiding reserves of ratios and all of that, but going to work at 8.30 a.m. and not quitting until 6 p.m., and he will find that the business has in it all that he expected to find—a wholesome, dignified, money-making, money-saving occupation.

A CURIOUS INSURANCE CASE is reported in the Toronto papers: Miss Mary Bailey and the Bank of Montreal were the defendants in a suit in the Division Court, brought by Mr. Snow, barrister. The amount in dispute was \$177, the face value of a note, which Miss Bailey had given in lieu of the first year's premium on a policy in the New York Life Insurance Co. She had been examined by the Insurance Co.'s physician, passed muster, and gave the note, which was discounted by the Bank of Montreal. Subsequently, however, she changed her mind about the insurance and dropped the whole thing. In the meanwhile, Mr. G. E. Buck, the agent of the Company, assigned the note to Mr. Snow, and he accordingly brought action to recover his money. Judge Morson explained that Miss Bailey or anyone else was at liberty to withdraw from an insurance after the medical examination, but that she must pay damages. He accordingly ordered her to pay the medical fee of \$5 and the costs of the case, the note being cancelled.

A NEW USE FOR ENDOWMENT LIFE INSURANCE has been discovered by a wealthy capitalist, whose method may appeal to others who are inclined to invest money in life insurance of this form, says the "United States Investor." This gentleman carries six or seven endowment policies, managing so that they mature one every three or four years. He has observed that while the security market fluctuates a little from day to day, the fluctuation by long periods is very much more—in fact, at times, so as to constitute a decided depression in the price of certain stocks. He calls the endowment policies his sinking fund. He keeps watch of the stocks which are at a low ebb when his endowment matures, and uses this money in buying the stocks outright, so as to hold them for a rise. He states that out of \$55,000 of matured endowments he has in this way made a gain of \$119,000, and this without speculation, but in bona fide investments. Of course, not every one can afford to use his endowment for this purpose, but there are many who can, and thus with a little foresight the endowment policies may be made genuine money-makers, as well as being good for their face value in case death occurs at any time during the life of the policy.

RECENT LEGAL DECISIONS.

LIFE INSURANCE, RESCISSION OF CONTRACT.—In January, 1891, an Englishman by the name of Foster was induced by one of the London directors of the Mutual Reserve Fund Life Association to insure his life for £6,000 in that company. In 1898 the company began to raise its premiums, and these Foster paid under protest, to prevent the forfeiture of his policy. Then he brought an action to have it de-

clared that the company was not entitled to exact higher premiums than those paid at the beginning, and for repayment of the added amounts. He also claimed to have the contract set aside on the ground of misrepresentation. The trial judge held that there was no misrepresentation, but also held in favour of Foster that the company could not raise its rates. Both parties appealed to the English Court of Appeal, and this court has allowed both appeals, holding that the company could increase its premiums year by year, but setting aside the insurance on the ground of misrepresentation. Lord Justice Cozens-Hardy, in delivering the judgment of the court, said:—Foster paid mortuary calls calculated according to his age on entry until the beginning of 1898. Since then he has paid the increased assessments, which alone the company would accept, under protest. No case of acquiescence or laches is raised against him. The company by their defence asserted that the assessments made on the new footing were authorized, and denied the misrepresentation. Foster was the only witness called, and gave evidence as to what passed at the interview with the director of the company, when the proposal was signed, and there was no cross-examination. During the course of the argument we felt grave doubt whether under this policy the "maximum rate" is fixed once and for all by reference to the age at entry, or whether it increases from year to year by reference to the actual age at the date of assessment. Upon the whole we have arrived at the conclusion that the latter view is correct, and that there is not sufficient in the policy, which in effect incorporates the constitution, to deprive the directors as against Foster of the power which, as already stated, they possess under the constitution. It follows that the judgment at the trial so far as it deals with the construction of the policy must be discharged. But this does not dispose of the case. We are clearly of opinion that the documents circulated by the company are tricky and misleading. "Life insurance at about half the usual rates" was, to say the least, an inaccurate statement. Even if true in the first year, it would not be true in subsequent years, and the time would arrive when the rate would become so excessive that no sane man would care to keep the policy up. The policy granted to Foster was not such a policy as was held out to him. It differs essentially from the representations made before and at the time when the proposal was signed, and upon which Foster acted. The company did not cross-examine Foster upon this part of his evidence, and they cannot be permitted now to challenge its accuracy. Foster by his cross-notice, asks to have the contract of insurance set aside, and we think he is entitled to this relief. This is not an action of deceit, in which fraud on the part of the company's agents would have to be alleged and proved, but an action for rescission, in which such fraud need not be