$211,659,749, increase $26,037,623. Overdue debts, 1895, $3,216,112; 1898, $3,232,918, increase $16,806. The large increase in assets is caused largely by the foregoing changes in figures. There have been expansions and contractions between these dates owing to tariff uncertainty, change of Government, etc but these influences were of short duration, and, with prospects such as are seemingly in store for Canada and nothing to retard her success, a greater number of numerals will be required to designate the trade and commerce of the next three years.

FIRE INSURANCE.

THE BRITISH AND COLONIAL DECISIONS AFFECTING— REPORTED IN 1897.

(Compiled by R. J. Maclennan, Toronto, for the CHRONICLE.)

1. THE SUBJECT MATTER.

DESCRIPTION OF.—Reasonable certainty is all that is required in the designation of the subject matter of insurance.

Cunard vs. *Nova Scotia Marine Ins. Co.*, 29 N. S. 409.

WRONGFUL ACT.—It is a maxim of the Insurance Law of all commercial nations that the assured cannot seek an indemnity for a loss produced by his own wrongful act.

Trinder, Anderson & Co. vs. *North Queensland Ins. Co.* 66 L. J., Q. B. 802.

DAMAGE COVERED.—Any loss resulting from an effort to put out a fire, whether by spoiling goods or otherwise, directly or indirectly, is within a policy which provides that the company is to be answerable for all such loss or damage as shall happen by fire to the property insured. Breakage by removal, damage by water, loss or theft occasioned by exposure, are also within the loss covered by such policy.

McPherson vs. *Guardian Ins. Co., Newfoundland*, Dec. Morris, *p.* 768.

INSURABLE INTEREST.—A tobacco company has an insurable interest in revenue stamps purchased from the Government and not yet used; it owns them absolutely, having purchasedand paid for them. The right to be re-imbursed by the Government in case of destruction before use does not affect that insurable interest, nor prevent the possibility of loss or prejudice arising from the destruction of the stamps. Because an owner of property may be able to reimbarse himself in case of its destruction from other sources is no reason for denying to such owner an insurable interest in the property. An owner has an insurable interest in his property to the extent of the value of the buildings upon it, notwithstanding the existence of a mortgage upon the property sufficient to absorb it.

United States vs. *American Tobacco Co.*, 166 U. S. Rep. 468.

2. THE APPLICATION.

BLANKS NOT FILLED.—When a company receives an application and issues a policy, notwithstanding the fact that questions in the application form have not been answered, the blank spaces for answers being left unfilled, it must be considered that the company has waived the answers to the questions by the acceptance of the risk, without the blanks having been filled up.

Cunard vs. *Nova Scotia Marine Ins. Co.*, 29 N. S. 409.

MIS-STATEMENT AS TO VALUE.—A person applied for $1,500 insurance, and informed the Insurance Agent that the property to be covered was worth between $4,000 and $5,000. The agent inserted $5,000 in the application, and, in an action against the company to enforce payment after loss, the Jury found the value at the time of application to be $3,192, and judgment was rendered in favour of the insured. Upon an appeal by the Company the Court held that the statement as to value which was incorrect, taken with a condition on the policy, not to describe the goods insured otherwise than as they really are to the prejudice of the Company, or misrepresent any material circumstance, did not amount to a warranty, and refused to set aside the judgment against the Company.

Cope vs. *Scottish Union*, 5 B. C. 342.

Value is a mere relative term; it may be relative to cost of production, merits of the article on the market, cost of replacement, and therefore an estimate of value may become a mere opinion influenced by circumstances arising subsequently. A man may have 1,000 quarters of wheat valued for insurance at one dollar a bushel; at the time of loss the value may be fifty cents; the insurance cannot be repudiated as fraudulent because of this difference in value.

Cope vs. *Scottish Union*, 5 B. C. 342.

3. THE PREMIUM.

PROMISSORY NOTE.—A person dealing with an insurance agent may fairly assume that the agent is authorized to take a promissory note in payment of a premium, when the policy does not forbid it, and such person has no knowledge that the agent's authority is limited.

Manufacturers' Accident Ins. Co. vs. *Pudsey*, 27, S. C. R. 374.

But when a policy contains provisions to the effect that it shall not be in force until the first premium is paid, and that if a note be taken for the first or renewal premium and not paid, the policy is to be void at and from default, the onus is on the policyholder to prove cash payment of the premium.

London & Lancashire Life Assce. Co. vs. *Fleming* (1897), App. Cas. 499.

And when the Company's agent accepts, in payment of a premium a promissory note which is not paid when due, there is no presumption that he should raise money thereon as agent for the assured, so that he may pay the premiums out of the proceeds.

London & Lancashire Life Assce. Co. vs. *Fleming* (1897), App. Cas. 499.

COMPANY ESTOPPED.—When a Company, having accepted a proposal for insurance, signs and seals a policy, which recites that the premium has been paid, the Company cannot show in contradiction of the terms of its own deed that the premium has not in fact been paid in answer to a claim for payment of a loss.

Roberts vs. *Security Coy.* (1897), 1 Q. B. 111.

4. THE POLICY.

WHEN DELIVERED.—When a proposal for insurance for a specified term is accepted by the Company, and a policy is prepared which is signed by the proper officers after the seal has been affixed and the policy recites that the premium has been paid, this constitutes a completed contract of insurance, although the policy remains in the hands of the Company. The Company cannot show in contradiction of the terms of their own deed that the premium has not in fact been paid, and it will be considered to have waived a clause in the policy which provides "that no insurance by way of renewal or otherwise shall be held to be effected until the premium due thereon shall have been paid." The Company must accordingly pay a loss which happens during the specified period, although prior to the sealing and signing of the policy, and of which it was ignorant. The premium, however must be deducted from the amount of the loss in such a case.

Roberts vs. *Security Co.* (1897), 1 Q. B. 111.

The decision of the English Court of Appeal just cited does not agree with a judgment delivered by the Supreme Court of Canada in 1892, in which it was held that a policy though issued may be rescinded at any time before it is delivered to the assured.

Buck vs. *Knowlton* (1892), 21 S. C. R. 371.

ASSIGNMENT OF.—A policy renewable yearly, so long as the assured pays the premium in advance and the company consents to receive it, with power to the company to terminate the policy, although in one sense a continuing contract, yet must be looked upon as a new contract made from year to year, and for the year only for which the premium is paid. Consequently, a general assignment by the holder, covering the policy in one year, will not cover it in the next year unless the assignment extends to after acquired property.

Stokell vs. *Heywood* (1897), 1 Ch. 459.

LAW TO GOVERN.—In an Ontario case where the assured and the company agreed that the place of contract should be in New York, and that the contract should be construed according to the law of that State, it was held that the policy must be so construed, although the application for insurance was made and the policy delivered in Ontario.

Bunnell vs. *Shilling*, 28 Ont. R. 336.

TERMINATION OF.—There is much reason why a notice determining a formal contract should be formal and put into writing, so that the relationship of the parties shall, as far as possible, not be left open to dispute. When one of the conditions of a fire policy provides that the company may terminate the insurance at any time, and that upon delivery of such notice the policy shall cease to be in force, written notice must be given.

Elkington vs. *The Phœnix Ass'ce. Co.*, 14 New Zealand L. R. 237.

Where the assured was tendered a refund of a proportion of the premium paid, a receipt for which was handed him for signature at the same time, and was read over by him, and which concluded with the words that "the policy is hereby cancelled," and the assured having refused to sign the receipt or accept the refund, and both were retained by the agent, it was held that the receipt could not be treated as a written notice of cancellation of the policy.

Elkington vs. *The Phœnix Ass'ce. Co.*, 14 New Zealand L. R. 237.

Where a verbal notice of cancellation of a fire insurance policy is sufficient, such verbal notice should convey in unmistakable terms that the company does by the act then being done by its agent terminate the policy.

Elkington vs. *The Phœnix Ass'ce. Co.*, 14 New Zealand L. R. 237.

BRITISH COLUMBIA CONDITIONS.—The British Columbia Statutory conditions supersede the conditions printed on a policy when the latter are not indicated as variations in the manner required by the act.

Cope vs. *Scottish Union*, 5 B. C. 342.