

of legal hypothec is that in favour of Mutual Fire Insurance Companies. This is created by law upon the immovables of the insured mentioned in the policy, to secure the payment of the assessments upon the deposit notes. It is not subject to registration like others, and ranks immediately after municipal taxes and rates. It is, therefore, somewhat difficult to ascertain, but as this form of insurance is not frequent and is rarely met with in cities, the danger of this mortgage existing is remote.

Judicial hypothec results from the judgment of any Court in this Province ordering payment of money, or from any other judicial act. These must be registered and take rank in order of registration.

Conventional hypothec results from an agreement. This is the form which the security of an insurance company takes."

One of the more valuable sections of the essay before us is the one which answers the question, "Who can hypothecate?" The principle underlying this question is thus stated:

"As hypothec creates such a real right over the property as may ultimately result in its loss and alienation, the law naturally gives the right to those only, who, by law, are capable of alienating it. Your borrower therefore, must, in the first place, be the owner of the property in some form. Every one who pretends to hypothecate, mortgage or otherwise change any real property to which he knows he has no legal or equitable title, is guilty of a crime, and is liable to a year's imprisonment and a fine of \$100."

Mr. Davidson states that, "the chief exception to the rule that the owner alone can hypothecate, is made in the case of Fabriques." The section in which this is dealt with will be found very interesting, and proves that an entire misapprehension exists in regard to the legal rights of the Roman Catholic Church in this Province, practically interfering with the value of real estate as a security. The question of Church assessments is treated in a later part of the essay, they are said to be "incidentals." The following clauses in Mr. Davidson's essay put the pith of this matter in a nutshell.

"When a Protestant sells to a Roman Catholic and takes a hypothec upon the property for the balance of the price, his hypothec as unpaid vendor will take precedence of a Church assessment created during the possession of the Roman Catholic purchaser, but the hypothecs created by him, while owner, will not do so. When a Roman Catholic sells to a Protestant the Church assessment, created before that date, continues to charge the property and takes priority over any hypothecs which the Protestant purchaser may create."

The lien of the Church on real estate sounds more formidable than it is in reality. Space forbids more extended notice of Mr. Davidson's most interesting and most valuable paper. The difficulty of which he speaks of condensing a large subject within a small space is especially felt in re-condensing what is already compressed. Those who find legal disquisi-

tions a source of mental indigestion are advised that: "A panacea for all such ills is; Always consult your legal adviser." At the same time we should judge those to have exceptionally small capacity for mental digestion who do not find Mr. Davidson's paper both easily readable and highly instructive.

SUN LIFE ASSURANCE COMPANY.

The report and statement laid before the annual meeting of the Sun Life Assurance Company, on 22nd March, which will be found in a later page in this issue, show the business in 1900 to have been marked by prosperity and progress. The following table gives the more important items in the statement compared with previous year.

FINANCIAL MOVEMENT.

	1899.	1900	*Increase or —Decrease.
Premiums, net.	\$2,214,342	\$2,347,743	*\$133,401
Interest, etc.	381,000	441,483	*59,784
Total Income.	2,596,041	2,789,226	*193,185
Payments to Policyholders.	803,073	843,746	*39,773
Expenses, Dividends, etc.	643,714	600,791	*47,077
Total Outgo.	1,447,087	1,534,537	*86,850
Excess of Income over Outgo.	1,148,354	1,254,689	*106,335
Total Assets.	9,247,665	10,486,891	*1,239,226
Policy Reserves and other Liabilities.	8,563,532	9,773,878	*1,210,346
Surplus to Policyholders.	684,133	713,013	*28,880
Surplus over all Liabilities	579,133	608,013	*28,880

MOVEMENTS OF POLICIES.

	1899.	1900	
Number of new Policies taken	13,101	11,210	—1,882
Amount of said Policies.	\$9,746,309	\$10,423,445	*677,136
Number of Policies in force	48,925	51,206	2,281
Amount of said Policies.	52,806,036	57,980,635	*5,174,599

Although the number of new policies taken, viz., 11,210, was less than in 1899, the net premiums received was larger by \$133,401, and the amount of the new policies was \$677,136 in excess of those taken in 1899. The receipts of interest on investments, rentals, etc., was increased over previous year, the total for 1900 being \$441,483, which came within \$48,506 of the total amount of death claims and bonuses, which aggregated \$489,989. The total amount paid to policyholders, including death claims, was \$843,746, \$55,152 of which was paid to them as cash profits. The total income of the company over total disbursements, was the sum of \$1,254,689, a sum which exceeded the excess of income over outlays in 1899, by \$106,335.

Naturally, the assets at close of last year show a proportionate augmentation, the total was, \$10,486,891, against \$9,247,665 in 1899. The increase in assets last year was larger than in any previous year of the company's history. The policy reserves and other liabilities amount to \$9,773,878, which is \$1,210,346 in excess of 1899. In valuing the liabilities the basis used has been the Hm. table with $4\frac{1}{2}$ per cent. interest on all policies issued prior to the 31st December, 1897, and 3 1-2 per cent. on all policies issued since that date, which is a more severe standard that what