

EASTERN TOWNSHIPS BANK.—Continued.

STATEMENT OF PROFIT AND LOSS ACCOUNT.

For the Year Ending November 15, 1906.

Balance at credit of profit and loss brought forward from November 15, 1905.	\$24,566.18
Profit of head office and branches, after deducting charges of management, interest due depositors, and ample provision for all losses.	279,610.24
Premium paid on new issue of capital stock.	259,674.00
	\$563,850.42

Appropriated as follows:

Dividend of 2 per cent., paid April 2, 1906.	\$54,351.43
Dividend of 2 per cent., paid July 2, 1906.	55,914.42
Dividend of 2 per cent., paid October 1, 1906.	57,835.11
Dividend of 2 per cent., payable 2nd January, 1907.	58,000.00
Transferred to reserve fund.	260,000.00
Transferred to officers' guarantee fund.	2,000.00
	488,100.96
Balance carried forward.	\$75,749.46
	\$563,850.42

J. MACKINNON, General Manager.

The President reviewed the report, and made a few remarks on the business of the country generally. Vice-President Miner, Director Flumerfelt, the General Manager, and Messrs. Sherman and Mansur followed with brief addresses, after which the report was adopted.

Feeling reference was made to the loss sustained by the Bank during the year in the deaths of the late Vice-President, Major Israel Wood, and Director Brown.

THE DIRECTORS.

The ballot resulted in the election of the following directors: Wm. Farwell, S. H. C. Miner, N. W. Thomas, G. Stevens, C. H. Kathan, J. S. Mitchell, A. C. Flumerfelt, Frank Grundy, Shirley Ogilvie (Montreal), C. A. Robertson (Winnipeg), the last two gentlemen being elected to fill the vacancies occasioned through the deaths of Major Wood and Mr. H. B. Brown.

At a meeting of the new board, Mr. Wm. Farwell was re-elected President, and Mr. S. H. C. Miner, Vice-President.

LEGAL DECISIONS.

(From the Report of the Superintendent of Insurance, 1905).

I. LIFE INSURANCE, THIRTY DAYS' GRACE, ESTOPPEL, WITHDRAWAL BEFORE ACCEPTANCE, RECOVERY OF PREMIUM, TRUST FOR "LEGAL HEIRS."

(a) An insurance for \$4,000 in the defendant company effected on the life of the plaintiff's husband and payable to her, was some time afterwards, in consideration of an annuity of \$1,500, made payable to her, assigned by her to her husband with a proviso that if he predeceased her, such annuity was to be a charge on the proceeds. By one of the conditions thirty days' grace for payment of a premium was allowed, if the insured were unable to do so when it became due, which the plaintiff stated was the fact, while by section 148 (1) of the Insurance Act, R.S.O., 1897, ch. 203, payment of any premium, not being an initial premium, might be made, within thirty days after becoming due, by the insured or her beneficiary under the contract, when it would *ipso facto* be received or renewed, any stipulation to the contrary notwithstanding. The insured died about ten days after the premium had become due, leaving it unpaid. A firm of solicitors acting for the insured family, at once notified the company of the death, and not knowing whether or not the premium had

been paid, but thinking that payment might have been overlooked, asked, if it had not, to advise them and they would pay it. Subsequently on the same day, the plaintiff called at the head office and saw the secretary, who, with full knowledge of the fact of such non-payment stated, in answer to her inquiry, that the policy was all right, so far as he knew. The solicitor's letter had been handed over to the company's solicitor with instructions to answer it, which he did, by merely asking them to send in proofs of loss, and that the matter would receive prompt attention, making no answer to the inquiry as to non-payment. Administration was taken out by the plaintiff and proofs duly furnished, and it was not until some months afterwards, on the solicitors inquiring when the amount of the policy would be paid, that they were informed that the company contested payment for non-payment of the premium:—

Held, that the plaintiff was a beneficiary under the contract and entitled to make a claim under the policy; and that the company were estopped by their conduct from setting up the non-payment of the premium.

(February 17, 1905—Divisional Court, Tattersall v. The People's Life Insurance Company, 9 Ontario Law Reports, p. 611.)

The above judgment was affirmed by the Court of Appeal, November 23, 1905.

See 11 Ontario Reports, p. 326.