but with the honest purpose of protecting themselves against fraudulent and unjust claims. Facing renewed contests with the courts, the companies strengthened the conditions of their policies broadened their language, and thus their scope; in the hope of escaping the application of that somewhat overworked rule of law "that the contract of insurance shall be construed most strongly against the insurer." Thus most of these conditions crept into the policy from a desire to enforce equity. Unfortunately, continued Mr. Farr, they have in many instances been utilized for other purposes. They have been used for defences purely technical and against claims in every sense legitimate. Such proceedings naturally have not appealed to the courts, and too often in the eyes of the bench have the sheep and the goats been herded together—the companies who have presented equitable with those who have presented inequitable defences. As a result of this, the ten-day notice clause, the requirement of proper proof, and others, have been so thoroughly riddled by the shot of judicial opinions that they now are highly unreliable allies upon which to construct the basis of a defence. So another stage has been reached by the companies—the simplification of the policy. Conditions are cast overboard like the useless cargo of a distressed vessel, and what is covered is reduced to the insuring clause, without limitation or exception. This, said Mr. Farr, has unquestionably been a great help in producing a more favourable attitude in the courts.

Proceeding, the speaker pointed out the necessity of judicious handling of litigation on the part of the companies. This, he said, might readily produce substantial results in the decisions. Companies, he remarked, have relied upon the notice clause, the clause requiring proper proofs, refusals to permit autopsies, and other defences of a technical nature, when the equities of the cases were entirely against them, only to meet disaster in the end and to have placed upon the law books decisions which seriously affected the efficiency of these clauses in every policy in the country, and in addition gave to the courts generally a deepening of the impression that the object of insurance companies was to escape the payment of just claims. There are continually arising claims in which fraud is apparent, or in which disease is a pronounced factor. True, said Mr. Farr, these questions involve not infrequently disputes of facts, but where the company is possessed of the weight of evidence, my suggestion is to prove it all, and even though defeated by the jury, to let the appellate court see that the company's object was not a mere subterfuge, but a substantial defence. In these cases such defences as are afforded by the clauses of the policy can be used, and used to advantage. As is shown by decisions, the courts will, said the speaker, seize this opportunity to enforce justice and equity by a construction of the policy clauses in a manner favourable to the company, reverse the finding below, and not unusually enter judgment for the defendant company. The effect of this will be that there then will appear in the law books decisions favourable to the companies and upholding the validity, in full, of clauses in the policies, eminently beneficial to the insurers. Were a consistent effort made by all companies in the matter of bringing to court only cases which assist this proposition, there would be gradually built up a body of law showing a more and more favourable trend in the construction of the policy forms, and benefiting all companies in future litigation.

Notes on Business, Insurance and Finance.

Banks and "Banks." A good deal of attention is again being paid in London to the misuse of the word "bank," particularly by corporations whose business has no relation to banking properly so-called. An English Judge of the High Court recently remarked that the time has arrived when the Legislature might well impose some restriction on the use of the term "bank" and the suggestion appears to have been welcomed in banking circles. The London Bankers Magazine observes:—"Concerns taking up the business of life insurance are obliged by law to find a substantial guarantee, and bankers will feel that it is now required, in their own interest and that of the public, that something should be done to prevent the fraudulent use of a term which, by their own integrity and prudence, has come to mean so much to the community." This suggestion is cordially supported elsewhere. "Surely," writes one authority, "the protection of our dependants against the loss of insurance money is no more essential than our own protection against the loss of deposit money," and it urges the desirability of a law being passed requiring every institution trading as a bank to deposit £20,000 with the Government as good conduct money. At the present time, there is no legislation in England to prevent any individual, whatever his financial calibre, registering a company with a high-sounding title including the word "bank" and proceeding to trade upon that. This is one of the things which we do better in Canada. The fact that the application for a bank charter has to run the gauntlet of the Committee on Banking and Commerce, and of Parliament, that the minimum capital stock is $500,000, that $250,000 in cash has to be paid temporarily to the Minister of Finance and Receiver-General as a proof that subscriptions to the stock have been paid, and that no bank can commence business until it has received authority from the Treasury Board at Ottawa to do so is a guarantee that no back-stairs promotion of the kind complained of by bankers in England can be successfully engineered in Canada.

Bank Fidelity Losses in U. S. "The total of bank embezzlements for the year 1910 as shown by our monthly statistical record seems likely to surpass all earlier figures, as a number of colossal defalcations and numerous smaller ones have recently come to light," says the Monthly Bulletin of the Fidelity & Casualty Company. "A Louisville trust company has suffered in this way, according