

premiums or sums of money for insurance of the said premises or any part thereof, the amount of such payment shall be added to the debt hereby secured, and shall bear interest at the same rate from the time of such payments and shall be payable at the time appointed for the then next ensuing payment interest on the said debt.

Under the Mortgages Act, R.S.O. 1914, c. 112, in the case of a mortgage which contains no power to insure and no declaration excluding the application of Part II. of the statute, there is a power to insure as therein provided (k).

In England it is provided by the Conveyancing Act, 1881, ss. 19 and 23, as follows:—

19—(1) A mortgagee, where the mortgage is made by deed, shall, by virtue of this Act, have the following powers to the like extent as if they had been in terms conferred by the mortgage deed, but not further (namely):

(ii) A power, at any time after the date of the mortgage deed, to insure and keep insured against loss or damage by fire any building, or any effects or property of an insurable nature, whether affixed to the freehold or not, being or forming part of the mortgaged property, and the premiums paid for any such insurance shall be a charge on the mortgaged property in addition to the mortgage money, and with the same priority, and with interest at the same rate, as the mortgage money.

23—(1) The amount of an insurance effected by a mortgagee against loss or damage by fire under the power in that behalf conferred by this Act, shall not exceed the amount specified in the mortgage deed, or, if no amount is therein specified, then shall not exceed two-third parts of the amount that would be required, in case of total destruction, to restore the property insured.

(2) An insurance shall not, under the power conferred by this Act, be effected by a mortgagee in any of the following cases (namely):

(i) Where there is a declaration in the mortgage deed that no insurance is required;

(ii) Where an insurance is kept up by or on behalf of the mortgagor in accordance with the mortgage deed;

(iii) Where the mortgage deed contains no stipulation respecting insurance, and an insurance is kept up by or on behalf of the mortgagor, to the amount in which the mortgagee is by this Act authorized to insure.

(3) [*This sub-section relates to the application of the insurance money (l).*]

If a mortgage company through its manager undertakes with the mortgagor to keep alive an insurance on the mortgaged property, and takes steps towards carrying out such undertaking, but fails to carry it out, it is guilty of such negligence as to render it liable in damages to the mortgagor, if he is ignorant of such failure, for the amount of such insurance in case the property is burned after the policy lapses (m).

(k) R.S.O. 1914, c. 112, ss. 19, 26.

(l) Sub-s. 3 is similar in terms to s. 6 of the Mortgages Act, discussed in § 6, *infra*.

(m) *Campbell v. Canadian Co-operative Investment Co.*, 1906, 16 M.R. 464, following *Skelton v. London and North Western Ry. Co.*, 1887, L.R. 2 C.P. 631, at p. 636.