been found possible. Some of the less important offices, it is true, have taken the bull by the horns, and refused to accept this class of business at all.

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Amendment of the present condition of things is urgently needed. The only argument worth the least consideration which has been raised against the proposition for alteration is that the offices should take one class of risk with another and make it a sort of "what you lose on the roundabouts, you are bound to get back on the swings" business. This is very pretty, but very bad business. The up-to-date fire insurance manager dissects every area of risk carefully, as he is bound to do in these times of scanty profits, and sees that each one makes its contribution to the right side of the profit and loss account.

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How the General Accident of Perth, Scotland, is forging ahead? It seems but yesterday when it first shot into popular attention and here it is with a United States branch and adding to its former burglary and personal accident branches, and also one for the transaction of liability and compensation insurance. As I have said before, the day is seemingly not far distant when every insurance office will transact every form of insurance. Then, I take it, there will be a great amalgamation and federation, rationally and otherwise, and—but there, I must be prudent. My imagination is carrying me away.

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War losses continue to pile up in South Africa, but the end is very near now. The boys are coming on, and their labour and their sufferings will earn them a very warm welcome, regulars and volunteers. Assurance offices will soon be able to draw a line and figure out their balance to the good and bad, and docket the experience as to rates for use in the next war that comes along.

RECENT LEGAL DECISIONS.

Loan upon a Life Policy.—A policy was issued in the United States by the Union Central Life Insurance Company on the life of a woman for $2,000. She afterwards borrowed sums from the company on the security of it, until they amounted to $800. Being in default $64 for interest upon the loan, the company sold the policy and bought it in themselves for $851.66, although its value was $1,180. After the death of the woman, her son and beneficiary brought an action to set aside the forfeiture and sale, and to recover from the company the value of the policy, which, with bonuses, then amounted to $2,169.06, less the $800 and interest amounting together to $1,006.40. Judgment was given against the company for $1,162.66. The following is the substance of the facts and law, as laid down by the Supreme Court of Arkansas upon the appeal:

The insured, in a life policy, secured several loans from the company for the purpose of paying premiums upon the policy, and, at length, on negotiations for a further loan, gave a note covering the entire amount borrowed, which note provided that, if the interest when due should not be paid, the policy might be sold to satisfy the claim. The policy was sold, on the ground that the insured had not paid sufficient interest, while, as a matter of fact, the amount paid, together with dividends on the policy to which she was entitled, was sufficient to liquidate the interest due. It was held that a Court of Equity would, at the suit of the beneficiary, relieve against such a forfeiture.

When, in an action on an insurance policy, which was a contract of the State of Ohio, there was an issue as to whether the company had properly computed the interest on premium loans in connection with dividends due the insured on the policy, and it was shown that the State of Ohio had no statute law governing such subject at the time; it was proper to prove by an attorney who had practiced in Ohio, any custom, usage or practice obtaining in that State on such subject.

When the policy was declared forfeited for nonpayment of interest on premium loans, and it appeared from correspondence between the company, the insured, and the company's agent, that a tender would not have been accepted even if made, it was not necessary for the beneficiary to make a tender of the amount due previous to the commencement of suit to obtain relief against the forfeiture.

The method of computing interest on premium loans on insurance policies, should be the method obtaining by usage or law of that State of which the policy is a contract.

The insured, in a life insurance policy for several years obtained loans from the company on the policy. At length the policy became a paid-up one, and the amount due the insured was endorsed thereon. Afterwards, the insured applied for a loan of $800, and was informed by the company of the sum in cash which would be due her on such a loan, deducting the amount owing by her on previous loans. Thereupon, she gave her note for $800. The interest on the premium loans, subsequent to the policy becoming a paid-up one had been improperly computed, to the disadvantage of the beneficiary. Held, that the giving of the note and the receipt of the sum in cash did not bind the insured or her beneficiary as a settlement between the parties.

The policy provided that the insured should participate in the profits, and there was a clause in the policy to the effect that the premium loans were a just indebtedness against the policy till paid or cancelled by profits or otherwise. Held, that the policy contained an express direction that the profits or dividends should go to pay premium loans.

It is the duty of a mutual life insurance company to apply dividends to the payment of interest, on loans made on the policy, when by so doing a forfeiture of all rights and benefits under the policy will be prevented. This does not depend upon contract, custom or course of dealings for its existence and potency. It has its origin in that fundamental principle of justice, which will compel one who has funds belonging to another which may be used, to use such funds, if at all, for the benefit and not for the injury of the owner, for his consent to the one and dissent to the other will be presumed.

It is the duty of a mutual life insurance company before making a forfeiture for default in payment of a maturing obligation, in the nature of a premium loan to notify the insured or beneficiary of the amount of declared dividends on the policy, when such dividends are insufficient to meet the obligation. This principle is founded upon reason and common fairness, and will have application whenever it becomes necessary to prevent a forfeiture, which is favoured neither in law or equity. Union Central Life Insurance Company v. Caldwell, 58 South W. R. 355 (Ark.).