

ROSE, J.]

[May 3.]

TIERNAN v. PEOPLE'S LIFE INSURANCE CO.

Life insurance—Premium—Payment of.

The application for a life insurance policy provided that no policy was to be in force until actual payment and acceptance of the first payment due thereon by an authorized agent, and the delivery to the insured of the necessary receipt signed by the general manager. The policy stated that in consideration of the annual premium being paid in advance to the company at its head office on or before the delivery of the policy, and thereafter annually, the company would pay to the insured's executors the amount of the policy. By the contract between the general managers and the company, they were to receive 85 per cent. of the premiums, and were authorized to employ sub-agents, whom they were to pay out of the commission allowed them, and were to indemnify and save harmless the company against any claims for commission by such sub-agents. One of the company's general managers who had taken the application agreed with the applicant that in consideration of certain work done by the applicant for him the first premium should be considered as paid, and he gave the applicant the company's official receipt, and subsequently the policy. In consequence of no payment having been made on the policy, the company cancelled the policy, but it did not appear that the insured had ever been notified of this. In an action to recover on the policy,

Held, that no valid payment of the premium had ever been made, and that, therefore, the insurance never took effect.

Oster, Q.C., and Jackson for the plaintiff.

Hunter for the defendants.

BOYD, C.]

[May 27.]

SYLVESTER v. MURRAY.

Contract for sale of land—Conditional promise—Effect of.

After negotiations had taken place for the sale of a farm at \$9,500, the following written contract was signed by the purchasers: "We agree to take your farm and pay you \$9,000, and, if we get along fairly well, we will give you the other \$500 as soon as we are able."

Held, that the provisions as to the \$500 was a conditional promise, which might be recovered on proof that the purchasers were of ability to pay, which the evidence in this case failed to show.

A. M. Macdonell for the plaintiff.

G. H. Watson, Q.C., for the defendants.

BOYD, C.]

[June 8.]

HOBSON v. SHANNON.

Garnishment—Proceedings in Division Court—Application for prohibition—Prohibition refused.

Garnishment is a proceeding extraordinary in its nature, and not to be regulated strictly by the analogy of ordinary litigation.

Held, that a garnishee against whom judgment has been given, the money not having been paid, may apply for relief, either by payment into court, or for