would be dangerous to hold that in a contract of loan, or a contract of service, or a contract of insurance validly entered into by a company, there is any greater power of variation of the rights and liabilities of the parties than would exist, if, instead of the company, the contracting party had been an individual. The company cannot by altering its articles justify a breach of contract. But it is further contended that by the terms of the policy the company are only bound to pay such profits as the directors, "according to their practice for the time being" may order to be added, and that the directors may regulate their practice by reference to a special resolution creating a reserve fund. This argument involves the proposition, that it is competent to the directors to change a participating policy into a non-participating policy. The word practice cannot have such a wide meaning. It cannot justify an alteration of rights, or the diversion of any part of the profits from the participating policyholders. In the present case there was a contract for value between the assured and the company, relating to the future profits of this particular branch of the company's business, and the company ought not to be allowed by special resolution or otherwise, to break that contract. The company's appeal must be dismissed. (Baily v. British Equitable Assurance Company, 20 Times Law Reports 242).

MONTREAL STREET RAILWAY COMPANY.

Considering the weather conditions of February, the net earnings of the Montreal Street Railway Co. were more than might have been expected. The total earnings were $168,635 against $141,800 in February, 1903, the operating expenses were $131,420 as compared with $108,803 last year, the difference between the increase of total earnings, $26,884, and the increase of expenses, $22,617, leaving $4,267 as the increase in net earnings. There was an increase of $1,224, which reduced the increase of surplus to $3,043.

The five months, since 10th October, 1903, show the passenger earnings to have been $929,570, which is $98,314 more than in corresponding period 1902-3. The operating expenses were $84,878 more, and the fixed charges, $4,082, these increases together being $88,960, which sum being deducted from $98,314, the increase in passenger earnings, left $9,354; there was, however, a decrease of $6,081, in miscellaneous earnings, which brought the increase in the surplus for the 5 months down to $3,273.

The company has had probably, the worst winter to contend against that was ever known since street cars were introduced, and the service it has maintained through such a succession of heavy snow storms reflects the highest credit upon the management.

There is, however, no little grumbling amongst regular passengers over some of the cars on some lines being in bad condition; they have had their day and it is high time they ceased to be.

RECENT LEGAL DECISIONS.

FIRE INSURANCE, TITLE TO LAND, UNFINISHED BUILDING.—A fire insurance policy was to be void, if the interest of the assured should be other than unconditional and sole ownership, or if the subject of the insurance being a building, should be on ground not owned by the assured in fee simple. In an action upon the policy it appeared that the assured was in possession under an agreement for the purchase of the land, and had built the house which was almost completed when the policy was issued. It was held under the circumstances, that as the assured was entitled in due course to a deed, the policy should stand, even though strictly the assured was but the equitable owner.

It was also held that where the parties admit that the structure insured is a building, it will be regarded as having acquired identity as a building, though not completed. (Bode v. Firemen's Insurance Company of Newark, 77 Southwestern Reporter 116).

LIFE INSURANCE, EFFECT OF RECOGNIZING POLICY ISSUED THROUGH FRAUD.—The New York Life Insurance Company sought to recover back $10,000 which it had paid under a policy it had issued, on the ground that the policy had been issued because of deceit, misrepresentation and fraud. The company's action brought for this purpose, having been dismissed at the trial, the case was carried before the Court of Appeals in Kentucky, but without success. That court held, that when an insurance company pays an assurance, after knowledge of the fraud which induced it to issue the policy, as was the case in this action, the company has ratified the contract, so that it may not afterwards recover back the insurance moneys paid by it. (New York Life Insurance Company, 77 Southwestern Reporter 380).

LIFE INSURANCE, EXTENDING TIME FOR PAYMENT OF PREMIUM.—The Court of Appeals for Kentucky holds that the forfeiture of a life policy for non-payment of the annual premium when due is not waived for the whole year by the company extending the time for payment and taking a promissory note therefor, payable four months after date, and which note provides that if it is not paid at maturity the policy shall be void.

The assured cannot complain that a certificate of health sent to the company for the purpose of having the policy revived was kept six days and then returned not approved. (Fidelity Mutual Life Insurance Company v. Price, 77 Southwesteirn Reporter 384).

FIRE INSURANCE, BOOKS OF ACCOUNT DESTROYED.—Where a fire policy required the assured to keep a set of books concerning the insured property, and stipulated that in case of loss he should produce them, or the policy should be void, he is not excused from producing them by their destruction in the fire, where his own negligence contributed to cause their loss. It was also held that he was guilty of negligence, when, having a fire-proof safe in his shop, he took no care to place them in it; and that he did not comply with the policy by producing books kept by others, showing the facts which should have been shown by his own books. (Rives v. Fire Association of Philadelphia, 77 Southwestern Reporter 424).