

ed, and it will be for the managers and directors to explain how, under these circumstances, they could feel justified in announcing at the general meeting, held on the 15th of May last, that the Society was still in every sense deserving of the confidence placed in it."

It appeared by the petition in Chancery, that the Company was indebted to its bankers, in June last, in £15,000, and it was this liability which led to the 5s. call. The petitioner alleged that he had protested against the payment of dividends, but notwithstanding that, the Company paid interest out of the calls last made while their liabilities were great, and a large amount was actually over due. It is generally considered that the prospects of the liquidation are most discouraging.

The moral evoked by consideration of the the failures of life assurance companies which we have been called upon, only too frequently, to chronicle of late, is that the holder of a policy of insurance is subject to risks such as other kinds of business give rise to. The assured must keep his eyes and ears open and acquaint himself with the operations of the Company to which he looks for indemnity, with the same regularity which characterizes the company's application for the amount of his premium. If he neglect the ordinary means of informing himself he must be prepared to pay the penalty. Blind confidence always cures itself. On the other hand, what punishment is adequate for men holding honorable positions who lend their names to the base use of deceiving their fellows so terribly as in the case of life assurance or indeed in any kind of assurance!

The directors of the Albert Life have been brought before a London Police Court, on a charge of conspiracy and fraud. This is right. It is high time that directors should be made to feel that they have something to do besides merely drawing fees for attendance at board meetings. If they will allow their names to be used, and tacitly become partners in misleading the public, they should be made to feel the consequences.

LIMITATION OF ACTIONS.

A late decision of our highest legal tribunal in a case of *Darling v. Hithcock* has settled a point in commercial law which has hitherto been the subject of some doubt. The facts of the case are as follows:—A, residing in the Province of Ontario, made a note there payable to B, also a resident of Ontario, at the Bank of British North America, in Montreal, and B endorsed it to the plaintiffs, who carried on business in Montreal. Neither A nor B had ever resided in the Province of Quebec. The Statute 12 Vic., cap. 22, sec. 31, enacts, that all notes payable in Lower Canada shall

be held and taken to be absolutely paid and discharged, unless sued upon within five years after they become due. The plaintiffs sued the maker of the note in Ontario after the lapse of five years, which is the limit in Quebec, but within six years, which is the limit in Ontario. It was held by the President of the Court of Error and Appeal that the Statute referred to being applicable to the Province of Quebec only, did not change the limitation of actions on contracts made in the Province of Ontario by persons resident there. All the judges, with the exception of Wilson, J., considered that as the note was made in Ontario, though payable at Montreal, without any limitation of not otherwise or elsewhere, it was payable generally, and so not within the Statute of 12 Vic. The defence accordingly failed. The general principle is that all suits must be brought within the period prescribed by the local law of the country where the suit is brought (*lex fori*), otherwise the suit will be barred. Mr. President Draper held the Act referred to as applying to the Province of Quebec only, and conceded that in that Province the plaintiffs' title and claim was relinquished, but under the circumstances of the present case, that the *lex solutionis* could not prevail against the *lex loci contractus* and the *lex fori*.

INSURANCE DEPOSITS.

We cannot say that we are surprised to read in the columns of a leading political journal, such a statement as the following: "It is almost a self-evident proposition that any Company that can afford to make the deposit exacted by the Dominion Government must be deemed safe and reliable;" but we must warn the public against being misled by it. The deposit with the government is no absolute guarantee that a company, making it, is reliable. Some companies have deposited "for the benefit of all their policy holders." If we remember right the amount the Fire Insurance Companies, other than Mutuels, have at risk in Canada, is about \$202,653,894, while the total deposit with the government for both fire and life is \$3,922,000, so it will be seen that the deposit is to be accepted only as a guarantee of good faith on the part of the depositor. In order to satisfy ones self of the soundness and reliability of a Company, other means must be adopted than merely glancing at the amount deposited. And we hope the *Montreal News* will signify as much to its readers.

We give in another column a letter from Messrs. Morse & Co., respecting certain recent gold transactions of theirs, with the Bank of Montreal. We have heard their ex-

planations, and we have also heard explanations from Mr. Yarker, the manager of the Toronto branch of the Bank of Montreal. The result is, that we find it difficult to state exactly the merits of the case, for all the facts, we have little doubt, are not before us, but so far as the evidence now goes, we are rather disposed to be less severe on the Bank than we were, and to exonerate Mr. Yarker entirely from blame. A strange fatality seemed to attend all the Bank's gold transactions on that memorable day in Wall Street; but as the parties who felt themselves so much aggrieved last week are now satisfied, we have no desire to attempt to fasten on the Bank a charge to which it pleads not guilty.

CANADA LIFE ASSURANCE COMPANY.—This Company has obtained from the Hon. Elizur Wright, of Boston, a valuation of its policies and annuities to the 30th April, 1869, by the Carlisle Table at 5 per cent. He finds the reserve required, to be \$668,124.91; taking this into account in the company's balance sheet there is a surplus of \$181,789.91. The calculation of Mr. Wright, has, we understand, been based upon the net premiums, disregarding the loading. The result is very satisfactory and must tend to establish the confidence of the public in the Canada Life and extend its fast increasing business.

Communications.

"A BRILLIANT OPERATION."

Editor of the Monetary Times.

SIR,—Under the above heading, in the last issue of your paper, you call Mr. King, of the Bank of Montreal, to account for having, during the recent gold panic, suppressed a telegram from his agent here to place \$10,000 gold with a house in New York. As we are understood to be the Canada brokers referred to, we think it but just to the Bank of Montreal to explain that the amount you state is not quite correct; and upon enquiry at the Bank of Montreal here, we find that our agent, who was employed to make the arrangement with Mr. Yarker, the Manager, asked to have the gold sold for our account, and not placed to our credit with our correspondents, as we requested. Hence the delay and misunderstanding arose, for which the Bank is in no way to blame.

Respectfully yours,

H. J. MORSE & Co.

Toronto, Aug. 12, 1869.

Commercial.

Toronto Market.

A very fair business has been done in the various branches of trade during the past week. The weather has been favorable throughout. The total imports at the port of Toronto for Sept. were \$961,435 last year and \$1,021,672 this year.

DRY GOODS.—A steady sorting up trade is being done; the increased coldness of the last few days has favorably affected the demand for heavy goods for winter wear. We notice a considerable decrease in the imports both here and at Montreal. The total imports at Toronto and Montreal for the month of September were:—