

## REVIEW OF CURRENT ENGLISH CASES.

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INSURANCE—LIFE POLICY—MUTUAL ASSURANCE—STIPULATION AS TO PARTICIPATION IN PROFITS—POWER OF COMPANY TO ALTER RIGHTS OF POLICY HOLDERS BY BY-LAW.

In *British Equitable Assurance Co. v. Baily* (1906) A.C. 35 the House of Lords (Lords Macnaghten, Robertson and Lindley) have reversed the unanimous decision of the Court of Appeal (Williams, Stirling and Cozens-Hardy, L.J.J.) (1904) 1 Ch. 374 (noted ante vol. 40, p. 342) affirming a judgment of Kekewich, J., on a very important question of insurance law. The plaintiff effected a policy of insurance on his life with the defendant company, upon the terms that he would abide by the deed of settlement, by-laws and regulations of the company. At the time the plaintiff effected the insurance a by-law was in force which provided that the net profits of that branch of the defendants' business, to be ascertained triennially, should be divided among the policy holders. After distributing the profits without deduction for a reserve fund, under that by-law, the company proposed to alter that practice by devoting a part of the profits of that branch to the creation of a reserve fund, and to alter their by-laws accordingly. By the deed of settlement the company had power to alter its by-laws, but the plaintiff claimed that the company had no power to alter its by-laws to the prejudice of his policy, and the Courts below so held: the House of Lords, however, came to the conclusion that there was no contract between the company and the plaintiff not to alter their practice in the distribution of profits, and that the action could not be maintained. As Lord Robertson puts it: "The whole question in the case is, did the company contract with the respondent to the effect of depriving themselves of the right (which they had under their constitution) to make this change? It seems to me not merely that they did not, but that, as part of the contract, the respondent bound himself to take only such profits as should be declared according to the rules of the company as they existed at each declaration."

DOMICIL—CHANGE OF—INTENTION.

*Huntly v. Gaskell* (1906) A.C. 56 was an appeal from the Scotch Court of Session on a question of domicile. A testator whose domicile of origin was in England, for thirty years prior