

1866.

[Before the Hon. Chief Justice Draper; the Hon. Chief Justice Richards; the Hon. V. C. Spragge;* the Hon. Mr. Justice Hagarty; the Hon. Mr. Justice Morrison; the Hon. Mr. Justice A. Wilson; the Hon. Mr. Justice J. Wilson; and the Hon. V. C. Mowat]

ON AN APPEAL FROM THE COURT OF QUEEN'S BENCH.

DAVIES V. THE HOME INSURANCE COMPANY.

Insurance—Insurable interest—Sale of property insured.

The owner of a stock of goods effected an insurance thereon, and while the policy was in force assigned the property insured, and with the assent of the Company transferred the policy of insurance to C. C. subsequently sold the property to M., who, in payment delivered his promissory notes indorsed by L., who was an accommodation indorser only, upon the express agreement that the goods should be sold by M., and the proceeds as received paid over to L. to retire the notes, and that the policy should be assigned to L. in trust to secure himself against the notes and pay any surplus to M., and the policy was so assigned with the assent of the Company who had full knowledge of all the facts: the interest of M. in the goods and the liability of L. on the notes continued until the goods were destroyed by fire. The Company having refused payment of the amount insured, an action was brought in the name of the assured; the declaration alleged the above facts and that the plaintiff had continued to be and still was interested as trustee for M. and L. Held, (reversing the decision of the Court of Queen's Bench) that the declaration shewed a good cause of action and that L. had an insurable interest in the goods.

This was an appeal by the plaintiff from the judgment of the Court of Queen's Bench as reported in the 24th volume of the Reports of that Court at page 364, where the pleadings are set out at length. Statement.

* Was absent from indisposition when judgment was pronounced.