of such a character that it increased the hazard on the building or stock, the policy became at once void, regardless of the amount of such explosives. I will go further, and say, that if they kept for themselves, or knowingly took in storage for others, any materials whatsoever, even though not explosive, not usually incidental to their business as wholesale and retail druggists, and such materials increased the hazard, the policy thereupon became void.

"It is my clear opinion that the keeping by Tarrant & Co. on the premises, of any material, explosive or not, beyond that allowed by the statutes or ordinances or legal regulations of the municipality was unjustifiable; that nothing in your policies can be construed as authorizing on your part such action by Tarrant & Co.; and that the policies became thereby voided.

"2. In my opinion you are not liable for damage to any building remote from the fire as the result of the explosion, provided fire did not ensue in such building.

"It is well settled by the decisions of this State that where the policy provided (as it once did here) that the company should not be liable for any damage occasioned by explosion, the company was not liable for damage either by the explosion or fire where an explosion occurred and fire as a result ensued.

Since the present form of policy has been used, it is equally well settled that where an explosion occurs and fire ensues in the same building the company is liable for the loss occasioned by the fire, starting with the condition of the building as it existed at the end of the explosion; but that if it apears that the explosion was occasioned by an already existing fire, then the company is liable for the damage both by the fire and the resulting explosion. In this connection, it has been repeatedly held that a lantern or candle or cigar by which an explosion is occasioned is not such a 'fire' as is contemplated by the policy, and a company is not liable for the damages from such explosion. There must be a real, existing, burning fire in the ordinary acceptation of the term.

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"I am also of opinion that the company is not liable for losses occasioned by the explosion in the Tarrant building to buildings or contents adjoining or in close proximity to the Tarrant building, unless fire ensued.

"A strong argument might be made that the wall of a building immediately adjoining the Tarrant building was blown down or injured by the direct force of the exploding gas in the Tarrant building, and not by the concussion of air as would be the case in a more distant building, and that therefore the company might be liable for such damage to an adjoining building, while not liable for damage to the remoter building.

"I find, however, no distinction in the cases as between a near or remote building. It is obvious between a near or remote building. It is obvious that if a distinction is to be made, there would be no way of telling where to draw the line, and when the company would be liable and when not. I am, on the whole, inclined to believe that the courts would not enunciate a principle which would be fraught with so great difficulty in application. In any event, I would advise the company not to pay such loss on an adjoining building until the question had been passed upon by the courts."

THE ATLAS AND NATIONAL CHANGES.

We are informed that Mr. Matthew C. Hinshaw has resigned his position as chief agent of the National Insurance Company of Ireland, and will, in future, continue to represent the Atlas Assurance Company of England alone. This step has been taken owing to the large volume of business now being transacted by both companies throughout the Dominion, necessitating individual representation and control.

Mr. C. Chevallier Cream, the general manager of the Company is at present on this side, and has spent a couple of days in Montreal. He has appointed Mr. Hugh M. Lambert, who, at present, acts as assistant manager, to succeed Mr. Hinshaw, and he will assume his new duties on the 1st January next.

VICTORIA-MONTREAL FIRE INSURANCE CO'Y.

A meeting of the directors of the above company was held at its head office in Montreal, on Monday, the 26th inst. Considerable discussion, we understand, took place, but nothing definite was done, and the meeting adjourned for a week. The present condition of affairs is one which demands a good deal of consideration, sound judgment and prompt action. As stated in last week's issue, the total cash premium income from organization up to October 31st was $159,084.06; while the cash disbursements in connection with losses, organization expenses, commissions, etc., amount to over $270,000. There is thus an excess of expenditure over income of $115,000. The total capital stock paid in up to that date was $170,000. Then there is an item of outstanding losses in Canada and the United States amounting to over $45,000, and, of course, there is the necessary reserve for unearned premiums, which would probably amount to $40,000 or $50,000.

Under all the circumstances connected with the affairs of the company, the directors have a somewhat difficult problem to solve, and it would seem that if a substantial amount cannot be paid in immediately by the shareholders, which would enable the company to meet all outstanding liabilities, and leave sufficient cash on hand to pay for losses as they arise, the sooner the only other course open to them be adopted, the better for all concerned.

We understand that the Superintendent of Insurance was again in the city this week, and that he has made his report to the Minister, in accordance with the Insurance Act. What his recommendations are, have not leaked out, but we are sure that Mr. Fitzgerald has done his duty in connection with the matter, and acted in accordance with the powers conferred upon him, at the same time having due regard to the interests of those connected with the company, either as shareholders or policyholders.