powder in stock when the fire occurred. The statutory condition prohibited more than twenty-five pounds being kept in stock without permission, and the company's variation of their condition relieved them from liability if more than ten pounds was "deposited on the premises, unless the same be specially allowed in the body of the policy and suitable extra premium paid." The case having been dealt with on other grounds on an appeal to the Privy Council was remitted to this Court to try whether the variation was a just and reasonable one. The learned Judge at the trial found it to be reasonable.

Held, HAGARTY, C J., dissenting, that under the circumstances of this case, inasmuch as the company's agent had represented that twenty-five pounds of gunpowder were allowed to be kept in stock, the condition now insisted upon was not a just and reasonable one to be set up by the company, or one which they could have inserted in the policy, and was therefore void, and that the plaintiff should recover.

Per ARMOUR, J.—The condition being more onerous than the statutory condition relating to the same subject matter, was for that reason to be deemed not just or reasonable.

Per HAGARTY, C. J., and GALT, J.—The variation was not, under the circumstances, necessarily unjust or unreasonable, and the judgment should not be interferred with.

Per HAGARTY, C. J.—The statutory condition exempting the company from liability if more than twenty-five pounds of powder were kept without permission, does not preclude or prohibit the insurers from bargaining that they will not be liable if more than ten pounds be kept, except on certain conditions as to extra premiums, &c.; and as the plaintiff at the trial did not in his evidence mention the representation of the agent, or allege that it influenced him, and it was not relied upon there, it should not now be given effect to. *Parsons* v. *Queen's Ins. Co.*, 45.

3. *Payment of premium in cash—Principal and agent—R. S. O. ch. 161, sec. 34.*]—An agent instructed to receive payment for his principal cannot, as a general rule, accept anything but money.

Held, therefore, on this principle, and also in view of R. S. O. ch. 161, sec. 24, and of the fact that the renewal receipt in question in this case contained a notice that it would not be valid unless dated and countersigned by the agent on the day on which the money was paid, that, where in consideration merely of a setting off of debts as between the agent of an insurance company and a policy holder, the former wrongfully delivered a renewal receipt to the latter, the receipt did not bind the company, and the policy lapsed. *Frazer* v. *Gore District Mutual Fire Ins. Co.*, 416.

4. *Re-insurance—Statutory conditions—Chattel mortgage.*]—The Dominion Insurance Company insured one H. against loss by fire to the amount of $5,000, and under a contract of re-insurance made between the defendants and the Dominion Company, the latter company re-insured $2,500 with the defendants. Subsequently the Dominion Company entered into an agreement with the Fire Association, whereby, after reciting that the Dominion Company desired to be relieved from and guaranteed against loss on existing risks,