According to this clause the policy becomes paid up upon the assured becoming totally and permanently disabled, and is known as the "waiver of premium" benefit.

ONE COMPANY'S CLAUSE.

Another form of disability benefit is to pay the sum assured in 20 annual instalment. One prominent company uses the following clause to cover this benefit: "The company will also, upon the written request of the assured and of the beneficiary and assignee, if any, and after payment of all indebtedness to the company in respect of the policy under the non-forfeiture provision, or otherwise, agree by endorsement hereon to pay in lieu of all other benefits and privileges herein provided, and in full settlement of this policy, one-twentieth of the amount assured immediately, and a like amount yearly thereafter until twenty such instalments in all shall have been paid. Should the assured die before the twenty instalments shall have been paid, the remaining instalments shall be paid to the beneficiary as they become due." In the event of disability proving to be temporary instead of permanent, it is provided that the instalments shall cease and the original policy shall be restored for its face amount, less the sum of the instalments paid; and also that the guaranteed values shall be reduced proportionately but that no reduction shall be made in the future premiums.

The disability feature in the policies of a regular life insurance company is a modern innovation on this continent. In Europe, however, Germany has been the principal exponent of the various benefits dependent upon total and permanent disability for over thirty years, and Russian companies are also considerably interested in this subject.

FRATERNAL SOCIETIES' STATISTICS.

There are abundant German statistics but they are not considered applicable to conditions in Canada. They consist of the experience of railway employees and miners, the former being subdivided into three sections, namely, (*a*) trainmen, (*b*) other than trainmen, (*c*) office employees. The German government has also published statistics relating to compulsory insurance against permanent disability. Since the policyholders in life insurance companies here are medically examined lives of a different social class from the risks comprising the German experiences, the latter are of little or no value for Canadian companies in determining the cost of the disability benefits granted by them.

For this information we have to make use of the statistics compiled by the fraternal societies. One, at least, of these organizations has been granting disability benefits for over thirty years. Here we have a sufficiently close resemblance between the risks accepted by these societies and the policyholders of a regular life insurance company to make a suitable basis for computing the cost of the "waiver" or "instalment" benefit. This statement may be disputed by regular life insurance companies owing to the cheapness of the medical examination undergone by applicants for admission to fraternal societies. But judging by the resulting mortality rates, the societies get good value for their money in this respect.

(*To be continued.*)

Legal Decisions

HOTEL-KEEPER'S LIABILITY WHEN GUEST'S PROPERTY DAMAGED BY FIRE.

The Quebec Court of Review has lately handed down a judgment confirming a decision by a trial judge regarding the liability of a hotel-keeper for the value of a guest's property damaged by fire. The case is that of Dame G. Gervais vs. Thomas E. Costello. Defendant was the proprietor of a hotel at Windsor Mills, Que. This was a three-storey wooden frame building, encased with brick. It had been built for about three or four years previous to its purchase by the defendant in January, 1910. In the interior of the building, leading from the cellar up to and through the roof, was a single brick chimney, one side of which was placed almost against the wooden planking or the frame of the building, and no protection was placed between the brick and the wood.

The plaintiff had been a boarder in the hotel for some three or four years previous to the purchase by the defendant, and continued as a boarder after the defendant acquired the building. She occupied one room. On January 4, 1911, the building was almost completely destroyed by fire. The fire was first noticed about twenty minutes past six in the afternoon, in the second storey of the building—the smoke coming out of the ceiling and walls. Property belonging to the plaintiff to the value of $672 was completely destroyed, and upon which the defendant had no insurance. The defendant's building was insured.

Mr. Justice Greenshields in giving the Court of Review's decision, said:—A careful examination of the proof leads to the conviction, that in the construction of this chimney, there was manifest negligence. There was a defect in its original construction. As above stated, it was a wooden frame building, encased with brick. The chimney itself was a single brick chimney. One side of the chimney was placed—the defendant himself admits—right along the wood. The wood was in no way protected from the heat that might develop in the chimney, nor was any provision made, in case the chimney cracked, to prevent fire or sparks while passing up the chimney to escape and thereby from igniting the wood...... I am of opinion that there was a defect in construction: I am of opinion that the defendant, as proprietor, was bound to know of that defect: I am of opinion that the fire resulted from a defect in the construction of the chimney. The defendant was of the same opinion at one time. When he made a claim, not against one, but against several insurance companies, he stated under oath, when asked to assign a cause for the fire, that the cause was a "defective chimney."

I should maintain the judgment *a quo*, under both Art. 1053 and Art. 1055 of our Code. Under Art. 1053 I say that the plaintiff's damages resulted from the fault and negligence of defendant: Under Art. 1055 I say that the ruin or destruction of the plaintiff's property was due to a defect in the original construction, for which the defendant is responsible: whether he knew or knew not of that defect at the time, in my opinion, is indifferent, and in any case he is responsible.