issuing the policy, knew that a gasoline engine had been installed in the building for use in manufacturing, and must be deemed to have known that a reasonable supply of gasoline for feeding it would be kept close at hand, the keeping of the barrel where it was placed was not a circumstance material to the risk, non-disclosure of which would void the policy.

Appeal allowed with costs.

Roscoe, K.C., for appellants. *Newcombe*, K.C., for respondents.

Ont.] UNION BANK OF CANADA *v.* A. MCKILLOP & SONS. [June 24.

Company law—Trading company—Powers—Contract of suretyship—R.S.O., 1897, c. 191.

An industrial company incorporated under, and governed by, the "Ontario Companies Act," R.S.O. 1897, chap. 191, has no power to guarantee payment of advances by a bank to another company whose sole connection with the guarantor is that of a customer, and such a contract of suretyship is *ultra vires* and void.

Judgment appealed from, (30 Ont. L.R. 87,) affirmed.

Appeal dismissed with costs.

H. Cassels, K.C., for appellants. *C. A. Moss*, and *J. B. McKillop*, for respondents.

N.S.] CAPITAL LIFE ASSURANCE CO. *v.* PARKER. [June 24.

Life insurance—Non-payment of premiums—Misrepresentation to insured—Estoppel.

P., in payment of premiums on a life policy, gave his note for one instalment and an overdue balance of another. Shortly before it matured an official of the company, specially authorized to deal with the matter, informed P. that his policy had lapsed owing to the inclusion in the note of the overdue balance which was against the company's rules. In consequence of this representation P. did not pay the note nor tender the amount of another instalment falling due before his death. In an action on the policy by the beneficiary no rule of the company was proved avoiding the policy as stated.

Held, affirming the judgment appealed from, (48 N.S. Rep. 404,) Fitzpatrick, C.J., and Davies, J., dissenting, that the company was estopped, by conduct, from claiming that the policy lapsed on non-payment of the note and subsequent instalment.

Per FITZPATRICK, C.J., and DAVIES, J.:—That the non-