

by fire, together with all the workmen's tools, and a large quantity of staves and other material.

Whitechurch Township, May 19.—The steam saw-mill of Dr. J. J. Hunter was destroyed. Loss stated at \$3,000.

Quebec, May 24.—A fire broke out in a baker's shop in St. Roch's and destroyed about 500 buildings, rendering some 5,000 to 6,000 persons homeless. A heavy rain set in at about 6 A. M., which checked the progress of the flames. Two ships or the stocks, in Baldwin's ship-yard were consumed. The burnt district extends from Crown street to Bridge street, and from Queen to Joseph street. The insurances are stated to be as follows: Home of Conn., \$60,000; Quebec, \$120,000; Phoenix, \$16,000; North British, \$8,000; Royal, \$30,000; London Corporation, \$5,000; Imperial, \$5,000; London and Liverpool, \$15,000; British America, \$10,600; Provincial, \$10,400; Western of Canada, \$9,200. These figures have been given to the press; a correspondent advises us by telegraph as follows:—"Impossible to get reliable information from agents."

—The barge *Hemlock*, which left Kingston on the 19th May in tow of the tug *Swan*, with a cargo of shingles for Ogdensburg, was discovered on Sunday morning at Cross Over lighthouse, River St. Lawrence, to be on fire. The flames were first noticed among the shingles, which leads to the supposition that it was started from sparks from the smoke pipe of the tug. About one quarter of her cargo was thrown into the river, and the remainder partially destroyed. The barge, which is owned by Messrs. Gurney and Glidden, and insured in the *Etna* company for \$900, was burned two-thirds the way from bow to stern.

—The suit against the Messrs. Allan for the loss of the steamship *City of Quebec* is for \$75,000 not £35,000 as before stated.

CANADIAN INSURANCE OFFICES.—About two years ago the Legislature passed an Act compelling Insurance offices carrying on business within the Dominion to make certain deposits and carry on their business in a certain way. Of course there was a strong opposition to this; but the Government carried the day, and the exodus of a considerable number of the weaker institutions followed. There are now no less than forty offices carrying on business in Canada. Out of these there are only six Canadian. There are, however, twelve agencies of offices having their head quarters in the United States, and no less than twenty-two agencies of English offices. In spite of the proximity of the famous New York system of Life Assurance, which has received such laudatory notice from our legislators, the English offices in Canada double in number that of their rivals from over the frontier. This carries out the views expressed in our last issue that amongst Englishmen, both at home and abroad, more confidence will always be placed in a well-managed English office than any American one. This is from the simple reason that the finance of English investment is more understood and more reliable than those of the American securities. We do not doubt that our Canadian brethren have better opportunities of judging of the performances of the American offices than we have as yet in this country. The fact that twenty-two English offices have, nevertheless, found it profitable to deposit about half a million sterling as deposit alone with the Canadian Government, shows that their business must be of a lucrative and increasing character. We recommend to our readers a tabular statement of the names and amount of deposit of the various offices carrying on business in the Dominion, which we reproduce from the columns of the *Canadian Monetary Times*, in this issue. Amongst the offices which emigrated may be mentioned the Branch of the European Assurance Society, and several American offices. Those which remained do not seem to have suffered from the operation of the law in any way, all prophecies notwithstanding.—*London (Eng.) Ins. Review.*

ASSIGNMENT OF THE POLICY.

An assignment is a transfer by writing, as distinguished from one by delivery. There can be no assignment without a change of interest; hence we cannot assign an instrument to himself; nor can two men, equally interested, assign to themselves. A valid assignment of the insurance contract in the broadest legal sense, by consent of the underwriters, by statute or otherwise, vests in the assignee all rights of the assignor, legal and equitable including that of action. The stipulations, most, if not all fire policies, require that assignments of the contract, or of the subjects covered thereby, to be valid, must be assented to by the underwriter, in writing, thereupon, such condition is held to be legal; and is to be strictly construed.

The fire insurance contract being a personal one, not negotiable in its character, and the underwriter having the right of personal selection, may be willing to insure one person and not another, as the transfer might materially affect the risk, or might virtually create a new risk which the underwriter might not be willing to assume. Hence the consent of the insurer would seem to be absolutely essential, and it is so made in the form of a condition precedent to the validity of any assignment of the contract of insurance itself, or of all or any of the subjects covered thereby.

When underwriters consent to an assignment, they may reserve all of their rights. The form usually adopted for this purpose, and printed upon the policy, is as follows:

"The — Company hereby consent that the interest of — in the within policy, subject to all the terms and conditions therein mentioned and referred to, be assigned to —."

It is not necessary that representation of the nature of the interest of the assignee in the property, be made upon application for assent to an assignment. The rule requiring an applicant for insurance to set forth the nature of his interest does not apply in this case. If the underwriter consent to an assignment, the clause requiring notice of "other insurance" thereafter made, becomes a condition between the company and the assignee, and the amount of the interest of the latter ceases to be such between them and the original insured; hence, when a policy has been assigned with the consent of the underwriters, it is no longer in the power of the assignor to do anything to impair the validity of the policy in the hands of the assignee. (This ruling evidently applies to cases where the assignment of the contract is accompanied by a transfer of the property.)

Transfer of the Subject. The stipulation that "if this policy shall be assigned before a loss, without the consent of the company endorsed hereon, then this policy to be void," has been held to refer to the interest of the insured in the property or subject covered, and not in the contract, for a policy can be of no value to the holder, unless he has sufficient interest in the subject covered thereby to warrant a recovery in case of loss. Nor does the mere sale and transfer of the interest of the insured in the subject covered, operate as an assignment of the policy as incidental to the subject.

A general assignment by the insured of all his personal estate, for the benefit of his creditors, without the consent of the insurer, does not void his policy, as he still holds an insurable interest in the estate, unless it is made a condition precedent of such assignment that all debts shall be released; and even then an insurable interest will remain, if there be, or probably may be a surplus after paying the debts.

Assignment on the Contract. It is held that the policy is not an incident to the subject covered, and as an independent chose in action it does not pass with a sale or transfer of the property unless by an assignment or delivery. And that an assignment of the policy made after the transfer of the subject, is wholly void. When loss is merely

made payable to a third party, he is entitled to recover only the interest of the insured therein, whatever that may prove to be. Held, and affirmed upon appeal, that the simple endorsement of "For value received, pay the within, in case of loss, to A. B.," even when assented to by the insurer, is not an assignment of the contract to the said A. B., but only of the right to the money that may be due to the assignor in case of loss.

The endorsement of "Payable in case of loss, to C. D.," when consented to by the insurer, is simply equivalent to an assignment of the contract as collateral security; and C. D. can collect, in case of loss, to the amount of the interest of the insured at the time of such loss and no more.

In case of a sale and transfer of sugars, under insurance, the policy was assigned therewith, endorsed as follows, "Payable in case of loss to Edward C. Bates." The policy thus endorsed was sent to the company with a request "that the endorsement be approved," but nothing was said of the sale and transfer of the sugars. The policy was returned duly endorsed "consent is hereby given to the above endorsement." A loss occurred in which the sugars were destroyed: the company declined to pay the insurance on the ground that the insured was not the owner of the property at the time of the loss, and that the owners of the sugars were not the party insured under the policy. At the trial, this defence was over-ruled, and a verdict was given against the company. Upon appeal this verdict was set aside, and a decision was given in favor of the company; the judge in the course of his remarks saying "Viewed in any light, the plaintiff cannot recover. Purchase of the property insured was made by the plaintiff, but he did not secure the consent of the company to the sale, and they had no notice of the transfer prior to the loss. They consented in chase the property of the assured should be destroyed, that they would pay the amount to the plaintiff, but they never consented that the policy should continue for the benefit of any one except to the assured."

The deposit of a policy of insurance with a creditor of the insured as security for a debt, gives such creditor a lien upon the proceeds of the policy, and his rights are not affected by the prohibitory clause against assignment without consent. If the insured be permitted to retain possession of the policy after assignment, and afterwards assigns and delivers it to a third party, whether absolutely or as security for a debt, the equity of the person to whom it is thus delivered, when acting in good faith, and without notice of prior assignment, is superior to that of the original assignee, and entitles him to retain to his own use all monies that the insurers may have been compelled or have consented to pay.

Assignment of the Loss. No assignments of a policy should be assented to after a loss. The interest of the insured, being a mere chose in action and guarded by the restrictive clause no longer, may, like any other debt, be assigned without the consent of the company; all stipulations in the policy against assignment after a loss are null and void. It is held: That an assignment of the interest of the insured, executed after a loss occurs, carries, not the policy, but the claim or debt against the insurers for the loss, and is therefore not a breach of the restrictive clause against assignment without consent.—*Monitor.*

—The offer of the Town Council of Brantford to the Buffalo & Lake Huron Railway Company, to take 65 cents on the dollar for the bonds held by them against the Company, has been accepted. This leaves the town with a considerable surplus.

—The "Canadian Mineral Company," with a capital of \$100,000, has become incorporated with power to carry on business in the township of Enniskillen.

—\$1500 of Detroit and Milwaukee R. R. bonds were sold by auction, in Hamilton, for \$530, the other day.