

ing by the company. The plaintiff's manager, who lived over the shop, had used a gasoline stove about six weeks before the fire. He then put it away not intending to use it any more, leaving about a pint of gasoline in the reservoir of the stove. On the day of the fire the plaintiff's manager brought the stove down into the shop, and used it to boil some syrups for the soda water fountain. The fire started shortly afterwards, admittedly caused by the gasoline stove. Mr. Justice Riddell, who tried the case, gave judgment against the company, holding that there was no gasoline "stored or kept" in the building at the time of the fire within the meaning of the statutory condition, and the Court of Appeal affirmed his decision. The Insurance Company then appealed to the Supreme Court, and the Supreme Court reversed the decision of the Court of Appeal, two judges—Mr. Justice Anglin and Mr. Justice Iddington—dissenting. It was from this latter judgment the plaintiff appealed and the Privy Council has now restored the judgment of the trial judge in favor of Thompson, the plaintiff. The Insurance Company, we are informed, is ordered to pay the insurance and all the costs.

Initialing Bank Cheques.

A case of considerable interest to bankers and their clients is reported by the Toronto Mail and Empire. Action was brought by Mr. Thomas Martin Scott, formerly manager of the Dominion Bank at Berlin, against the Merchants' Bank for \$10,000 which he had advanced in February, 1909, to Mr. C. N. Huether's credit, on a cheque on the Merchants Bank, which he claimed had been certified by the manager of the latter bank. Before placing the amount of the cheque on the Merchants Bank to Mr. Huether's credit and allowing him to draw thereon, Mr. Scott referred the cheque to Manager Deavitt, of the Merchants Bank. Manager Deavitt, initialed the cheque, and Manager Scott treated it as a certified cheque. By the time it reached the Merchants Bank, however, Huether's funds with that bank had been exhausted and there was nothing to meet the cheque bearing Manager Deavitt's initial. Mr. Justice Sutherland holds that Manager Deavitt's initial did not constitute the recognized and regular way of certifying cheques and dismisses Mr. Scott's action against the Merchants Bank for the \$10,000 he had to make good to his own bank, the Dominion. "It simply amounts to this," says his Lordship, "that individual officials of the Dominion Bank, on their own responsibility, relied too much at first on the initial and later on the word of a fellow-banker in the same town."

British Capital in Canada.

In THE CHRONICLE of July 15, reference was made to a speech commendatory of Canadian investments, by Mr. R. M. Horne-Payne, the well-known London financier. At the time only the briefest of cable messages was available with regard to it, but our London correspondent now writes:—"Mr. Horne-Payne, at the meeting of the British Empire Trust, took advantage of the opportunity to refer to the investment of British capital in Canada, and his view was particularly interesting. He pointed out that out of 212 million pounds of British capital raised by public subscription in this

country during the financial year, only 34½ millions went to Canada. During the same period only 71 million pounds of our money went into Colonial investments altogether, whilst 94 millions went to foreign countries, and of this 35 millions were invested in South America and 23 millions in the United States. Mr. Horne-Payne urged that it was safe to assume that a very great deal more than 23 millions sterling was invested by Americans in Canada at 6, 7, 8, and even 10 per cent., so that what we had done in effect is to lend the Americans 23 millions pounds, probably at under 5 per cent., and they have re-invested our money in Canada at a profit to themselves of 2 or 3 per cent."

Mr. Horne-Payne is the London director of the Canadian Northern and is prominently associated with other Canadian undertakings.

Over Insurance on Property.

There is a recrudescence of the old story about over insurance on property and stocks in Montreal being responsible for some of the fires, which have lately occurred. Fire Chief Tremblay is alleged to have said in an interview: "In Montreal at the present time there is no law to prevent a person taking out insurances in various companies. The only thing that is done when a man is insuring his stock in a company, is that he is asked whether he is insured by another company. They have only a person's word for his truthfulness." It is true, to a certain extent, that the fire companies have only a person's word for his truthfulness, but it is also a fact that if a person takes out a fire policy with one company without revealing the whole extent of the insurance already taken out the policy in such a case in the event of a loss by fire becomes null and void. We believe that the facts of the case are that in the vast majority of instances the insurances taken out are not sufficient to compensate for the losses by fires. We should like Chief Tremblay to mention some specific instances of over-insurance; in the discussion of a matter of this kind an ounce of fact is worth a ton of theory.

For the Waste Paper Basket.

Mr. Frank W. Anthony, fire insurance broker, of 44 Court Street, Brooklyn, N.Y., whose energies have previously been a subject of remark in THE CHRONICLE, has again turned his attention to Canada. A St. Hyacinthe subscriber sends us a copy of a circular in which Mr. Anthony "very respectfully" states "that as an insurance broker he has superior facilities whereby he can be of great service to you in placing lines of insurance where your customers object to paying the exorbitant rate charged by the tariff companies or the ridiculously high increase under the new rating schedule. If you experience any difficulty of this nature I ask you to forward the applications to me and I will place same for you in licensed companies, forwarding policies to you subject to the assured's as well as your own approval, allowing you 25 p.c. commission." We suggest to those who are in receipt of this circular that they take no notice of it, but place their insurance with regular licensed companies and not take the risk of accepting policies which would have no legal status in Canada.