and Coal Companies, whose respective stocks declined on his retirement being announced. The Lake Superior Company holds so prominent a position amongst Canadian enterprises, and such extensive interests are involved in it, that it is much to be desired that its affairs will be placed upon such a basis as to develop more prosperous conditions than so far have prevailed.

RECENT LEGAL DECISIONS.

THE TELEGRAPH IN MARINE REINSURANCE.—The Plaintiffs in an action on a policy of marine insurance were underwriters at Lloyds, and reinsured a risk on a cargo of sugar on a voyage from Hamburg to Gibraltar. At the time of the reinsurance the ship had arrived and the cargo had been partly discharged and examined by Lloyd's Surveyor at the port and found damaged, but this fact was not known to the Plaintiffs. The Defendants disputed the claim, claiming that they had been induced to underwrite the policy by the concealment of the facts. In giving judgement for the Plaintiffs, Mr. Justice Bruce, of the English King's Bench, said :—"The agents of Lloyds at foreign ports have a discretion as to the mode of communicating notice of damage to Lloyds. There is no obligation upon them to communicate by telegraph in every case of loss or damage. As a matter of business in the case of serious loss they do telegraph, but when the loss or damage is small they do not. In the present case they did not telegraph, and did not omit to perform any duty incumbent upon them. Even if there was a duty to so communicate with Lloyds, it is quite a different matter from there being a duty to communicate with the Plaintiffs who had no control over Lloyd's agents at Gibraltar. Lloyd's have agents in every important port in the world, and if the knowledge of Lloyd's agents at a distant port is to be taken to be the knowledge of an individual underwriter, who may be a member of Lloyd's, the practice of reinsurance would become impossible, because reinsurance is commonly resorted to to cover risks of loss which, while unknown to the underwriter in this country, in most cases, must be known to Lloyd's agents in distant parts of the world. (Wilson *vs.* Salamandra Assurance Company, of St. Petersburgh, 19 Times Reports 229).

LIFE INSURANCE—MISSTATEMENT OF INSURED AS TO HIS AGE.—In an action by one Dillon against the Mutual Reserve Fund Life Association, upon a policy for $2,000, on the life of John Dillon, deceased, the main defence of the Company, which resisted payment, was that the insured untruly stated his age by three years. At the trial the Company proved beyond reasonable doubt, that the insured was nearly forty-four years of age at the date of his application for the policy instead of forty-one as he stated. The lawyer for the plaintiff was proceeding to elicit evidence from a witness as to statements made by the insured many years before, which tended to show that the insured believed that he was born at the date he gave. The trial judge ruled this out, and gave judgment for the Company. The Ontario Court of Appeal now holds that the witness ought to have been allowed to answer fully, for the purpose of showing that the statement as to age was made in good faith and without intention to deceive, and a new trial has been directed. Counsel for the plaintiff contended that the onus was on the Company of showing want of good faith, and an intention to deceive, but Chief Justice Moss, in delivering the judgment of the Court, lays down the law on this point as follows :—We think that where the statement as to the age is found to be material and untrue, an avoidance of the contract follows unless the result is prevented by its being made to appear that the statement was made in good faith, and without intention to deceive ; and it must be upon the person seeking to uphold the contract to make proof of it. (Dillon vs. Mutual Reserve Fund Life Association, 2 Ont. "Weekly Reporter" 78)

BANKING—DETAINING SECURITY BY PRESSURE.—The Kootenay Brewery and Malting Company being indebted to the Bank of Montreal, the bank insisted on receiving a mortgage covering the Company's property and an assignment of their book debts, and also obtained a judgment against the concern. Another creditor then brought an action against the bank to set aside the mortgage, assignment and judgment, on the grounds that (1) the mortgage was voluntary and fraudulent ; (2) that it was a preference in favour of the bank ; (3) that it was not executed as required by Company law ; (4) that the assignment was void for the same reason and also as being in contravention of section 80 of the Bank Act, which provides that no higher rate of interest or discount than seven per cent. shall be recoverable by a bank, and (5) that the judgment was also fraudulent and void. The judge at the trial in British Columbia affirmed by the Supreme Court of that Province held that as there was good consideration for the mortgage and as it was given under pressure, it ought not to be set aside, although it comprised the whole of the Brewing Company's property and was given at a time when the debtor was in insolvent circumstances to the knowledge of the bank, and had the effect of depriving other creditors of being paid their claims. It was also held that the mortgage, which had been made by the directors without proper authority, had been legally ratified by a subsequent resolution of the shareholders of the Company. The creditor then brought an appeal to Ottawa, but the Supreme Court also affirmed the validity of the securities obtained by the bank. (32 Supreme Court Reports 719, Adams vs. Bank of Montreal).

FIRE INSURANCE, LIABILITY OF BROKER FOR NEGLIGENCE.—It has been held by the Courts in the District of Columbia that brokers obtaining insurance for others are bound to exercise reasonable care and skill in making enquiries and obtaing information as to the responsibility of the insurer with whom they place the risk, and are liable for any loss occasioned by the want of such care. (Mallery vs. Frye, 56 Central Law Journal 117).