interest need not be stated, (but there may be a condition reading otherwise or a code enactment).

In France, in the case of nominal insurance by broker, the principal may sue, and the insurer need not say the contrary.[1]

§ 128. *Fol encherisseur.*

In Quebec a *fol encherisseur* may insure for his own benefit, but once the re-adjudication has taken place at his *folle enchère*, if the house burn the company is free, for the insured is dispossessed.[2]

§ 129. *Borrowers.*

The borrower of a thing may insure it. The loan of it being for his sole advantage, if it be lost he has to pay, and negligence is to be presumed against him (in the Province of Quebec).

§ 130. *Vendors.*

The vendor, so long as he has or retains right to stop *in transitu*, may insure. The vendee, after the vendor's stopping the goods *in transitu*, has no insurable interest.[3]

§ 130. *Re-insurance.*

The insurer is a kind of *caution* and may as such get another person to assume his risk; re-insurance is allowed. The insurer has an insurable interest and can re-insure, to protect himself. Such re-insurance may be partial, or total, and at rates and conditions different from the original insurance. It is a contract between the first or other insurer and the re-insurer. Such is the law of France and Lower Canada, 2477 C. C., and of the United States.

Re-insurance is common in England. It is common for one office to take any large risk, and to re-assure say 50 or 60 per cent. with other offices willing to run the risk of a portion. It is said not to be the interest of the insured to insure a large amount in one office; that he had better divide his insurance, and not be, in the event of loss, at the mercy of one office. Where insurance is divided, there will be an honorable competition, it is said, in the settlement of the loss, among the several insurers. That may, or may not, be. I have seen an insured, insured by three policies, have to fight all three of the insurers till final judgments in appeal, and all the three combine to resist each of the insured's actions.

[1] 2 Pardessus, Dr. Com. pp. 569, 570. See Arnould on Insurance, p. 138.

[2] Sirey, A.D. 1856, p. 451.

[3] *Clay* v. *Harrison*, 10 B. & C. But query; for stoppage *in transitu* only acts to make a lien. The vendee can get the goods afterwards if he tender the price. 2 Kent Comm. And the vendor after stoppage *in transitu* may sue for the price. See *Martindale* v. *Smith*, Benjamin on Sales, p. 660. The effect of stoppage *in transitu* is to restore the goods to the vendor's possession, not to rescind the sale. The vendor may hold the goods till the price be paid. He has not a right to rescind the bargain.

CHAPTER IV.

WHO ARE BOUND TO INSURE.

§ 131. *Agent undertaking to procure insurance.*

Where insurance is undertaken to be procured for another person by an agent, the general rules in the law of principal and agent will govern. In Lower Canada, if a person, even voluntarily and without reward, undertake to procure insurance to be effected, he will be answerable for negligence; and in England though there be no consideration moving to the person who has gratuitously undertaken to procure an insurance or to get a policy transferred, if this person proceeds to carry his undertaking into effect by getting his policy underwritten, etc., but does it so negligently that the insured can derive no benefit from it, as, for instance, if he have promised to get a policy transferred, but neglects to have it properly indorsed or admitted by tbe insurer, an action will lie against him.—(1. Esp. R.—2 T. R.)

An executor who drops a policy on the testator's estate, is held liable on a loss happening.[1]

§132. *When agent is bound to insure.*

An agent may be bound to procure insurance for his principal, either by express agreement, or by an implied one. Such last would be the habit of the agent in dealing

[1] *Garner* v. *Moore*. Also *Hawkins* v. *Coulthurst*, 5 B. & S.