ACCIDENT POLICY HELD TO BE CONTINUOUS CONTRACT.

The Appellate Division of the Supreme Court of New York last week decided a case of much importance to accident insurance companies generally. The title of the case was L. Hodgeon, respondent, vs. Preferred Accident Insurance Company, appellant. The judgment of the lower court was reversed and the complaint dismissed. Charles E. Hughes prepared the brief for the company on appeal. The real question involved was whether the renewal of an accident policy constitutes a new contract or simply a continuance of the original one. The court followed a recent decision of the Court of Appeals in holding that the accident policy is a continuing contract. Had these courts held otherwise, companies would have to replace all their old policies with new ones containing the standard provisions, in order to plead policy provisions in defense of suits.

Willard H. Hodgeon was insured under a policy issued about fifteen years ago. The circumstances of his death, which occurred after January 1, 1914, pointed to suicide by poisoning, and the company denied liability. Suit was brought in the Supreme Court and the jury found a verdict for the defendant, but, on presentation of new points by the plaintiff, the jury was reconvened and gave a verdict for the plaintiff for $6,250. The plaintiff set up that each renewal of the policy constituted a new contract, and that the company could not plead the provision in its policy that it should not be liable in event of death through taking or inhaling of poison, poisonous vapours, etc., as this provision in the original policy was in violation of the standard provisions law which became effective January 1, 1914. This law requires conditions limiting liability to be printed in type of certain size, while the provision in the original policy was printed in smaller type. The company appealed to the Appellate Division, where the verdict in the lower court was reversed and the case remanded for a new trial. On second trial the verdict was against the defendant company, and it appealed again.

Baumann Case a Precedent.

Before the second appeal was decided the Court of Appeals, in the case of Baumann vs. Preferred Accident, had decided that an accident policy is a continuing contract. In the Baumann case the question came up on the defense of the company that the assured had made a false warranty in the application. The plaintiff contended that, under the standard provisions law, the statements of the applicant in the applications are representations and that it is a q question of fact for the jury to decide whether misrepresentation was sufficient to influence the company in issuing the policy. The court sustained the contention of the company that the policy, issued prior to the effective date of the standard provisions law, was a continuing contract and was not subject to the standard provisions law. The Appellate Division of the Supreme Court in the Hodgeon case had the decision of the Court of Appeals in the Baumann case as a precedent.

CANADIAN FIRE RECORD.

Forest Fire in Matane County, P.Q.—On the 18th instant forest fires started in the lower part of Matane County. A sawmill owned by J. A. Boulay was destroyed, together with large quantities of lumber.

Fire at Hamilton, Ont.—On the 22nd instant a fire occurred in the Ross Garage, King St. The interior of the building was destroyed, and a number of autos. damaged. Loss about $7,500.

Fire at Toronto.—On the 20th instant a fire broke out at 83 Richmond Street, entailing a loss of about $7,500. The Anthes Foundry, at 64 Jefferson Avenue, was struck by lightning and a fire ensuing entailed a loss of about $1,500.

Fire at Toronto.—On the 19th instant a fire broke out on the premises of the High Grade Oil Company, entailing a loss of about $35,000.

Fire at Montreal.—On the 18th instant a fire destroyed one of the C. P. R. buildings at Hochelaga yards. Loss about $17,500.

Fire at Quebec. — On the 22nd instant a fire destroyed the large show rooms and stores of the wholesale and retail firm of Terreau & Racine. Insurance as follows :—Employers, $15,000; Canada Fire, $7,500; Nat. Ben Franklin, $2,500; Dominion, $2,500; Quebec, $7,000; Britannica $6,500; Commercial Union, $2,000; Phoenix of London, $5,000; New York Und., $7,500; Westchester, $5,000; British and Canadian, $2,500; Mount Royal, $69,500; National of Paris, $7,500; Royal Exchange, $5,000; Stanstead and Sherbrooke, $7,500; St. Hyacinthe, $10,000; Northwestern & Nat., $5,000; North River, $7,500; United States, $10,000; Richmond, $4,500; London Mutual, $8,000; North America $15,000; Guardian, $2,500; Union of London, $5,000; Springfield, $2,500; Palatine, $5,000; Liv. & London & Globe, $5,000; British Colonial, $2,500; Firemen's Fund, $2,500. Total, $237,500. Loss total.

Fire at Stokes Bay, Ont.—On the 21st instant a fire destroyed the store warehouse and dwelling of McIver Bros. Loss about $12,000. Stokes Bay is 24 miles north of Wiarton.

Fire at Quebec.—By the fire which occurred on the 22nd instant on the premises of Joseph Cote, the following companies are interested :—North River, $10,000; United States, $20,000; Fidelity Und., $15,000; Northern, $3,000; St. Paul, $7,000; London Mutual, $11,000; Quebec, $5,000; Palatine, $2,000; Aetna, $5,000; British Dominions, $5,000; Nat. Ben Franklin, $5,000; Law Union & Rock, $5,000. Total $93,000. Loss 10 per cent.

PERSONALS.

Mr. W. R. Houghton, of the London & Lancashire Fire Head Office, has been in Canada for the past two weeks, during which period he has visited several important centres of the Dominion.