RECENT LEGAL DECISIONS.

RESPONSIBILITY OF INSURANCE AGENT.—The responsibility of an insurance agent is an important one, and if he accepts risks binding on his company, contrary to their instructions, he makes himself personally liable. The Franklin Fire Insurance Company appointed one Bradford their agent in a Pennsylvania town, and furnished him with receipts and policies duly executed by the Company, and requiring only to be filled up and countersigned by him. Bradford employed a sub-agent, and gave him the company's forms with authority to complete them. The sub-agent, among other business, accepted a risk on a pottery, received the premium, and delivered a policy after signing Bradford's name to it. It appeared that the company had notified their agents not to accept any more risks on potteries, but Bradford failed to tell this to his sub-agent. The pottery was destroyed by fire, and the company was obliged, as the result of legal proceedings, to pay the owners $2,000. The company then sued their agent to recover the money, which, but for his negligence, they would not have had to pay. The Supreme Court of Pennsylvania has reversed the judgment at the trial, and has decided that under such circumstances the agent is responsible for what his sub-agent does, and must recoup the company. (50 Atlantic Reporter 286).

BROKER'S COMMISSION.—Where a broker, on the instructions of the owner of property, introduces a purchaser, he is entitled to his commission, even though the sale be effected wholly through another agent. This has been decided in a British Columbia case, where the action was to recover a commission on a sale of mineral claims. In giving judgment Mr. Justice Drake said: It is to be remarked that if a broker, introducing an eventual purchaser, should be excluded from his commission by reason of the vendor arranging with a friend to charge a commission, and should then set up such an arrangement in order to defeat the broker's claim, it would lead to consequences very prejudicial to honest and straightforward dealing. It may be that a vendor may have to pay two commissions, but that is through his own fault in not providing against such a contingency.

It was ordered in this case that the commission should be paid part in cash and part in stock, as the vendor was paid partly in cash and partly in the stock of a company. (Osler *vs* Moore, 8 B.C., Rep. 115).

INSURANCE ON GOODS USED FOR AN IMMORAL PURPOSE.—Insurance upon the furniture in a disorderly house has been held, by Mr. Justice Andrews of the Quebec Circuit Court, to be an illegal and immoral contract which will not be enforced by the courts. The action was upon a promissory note given as a premium note upon a policy of fire insurance; and was prosecuted by the agent who had taken the risk and the note in payment of the premium. The agent admitted that he knew at the time that he took the risk that the premises in question constituted a house of bad repute and was occupied for such purposes. The judge remarked, in the course of his judgment, that in Holt on Insurance there was no case relating to houses of ill-fame, to the insurance of houses of ill-fame; but the principle was laid down that the owner of an article insured must have such a title as the courts will recognize, and that principle is pleaded against the contract of insurance on contraband goods, which is declared not enforceable. (Burneau *v.* Laliberté, 19 Quebec Reports, S.C., 425).

VESSEL DEFINED IN MARINE INSURANCE.—A tug while going up the River Thames was damaged by striking upon a vessel's anchor, to which the vessel was riding attached by a chain. It was contended that this was not an actual collision with the tug as provided in the marine policy. In giving judgment against the underwriters, Mr. Justice Phillemore said: "I think it may be fairly said that a vessel comes into collision with another vessel if it comes into contact with any portion of that vessel. There are many movable things about a ship which may be treated as appurtenances of the ship. In a narrow view it may be said that the hull, masts, yards, standing rigging and bridge form a ship, and that these alone are part of a ship; but if there be a collision with projecting booms or boats at the side, or with the anchor at the bows, no one could doubt that in the fair use of language it is a collision with the ship. A ship often extends her area by swinging boats over her side, or casting out her anchor, and in my opinion a collision with the anchor belonging and attached to a ship, although it be at a distance from her, is a collision with an extended portion of the ship." (Re Margetts and Ocean Accident, etc., Corporation, 1901, 2 K.B., 792).

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad Street, New York City.

New York, December 18, 1901.

The past has been something of a spectacular week with Copper Pennsylvania Money and the Labour Conference occupying prominent positions upon the boards. As to the former, as we remarked last week, it will go just where it is put. Many shrewd observers and well-posted parties, however, think that it has reached a point where it is very dangerous to be short of it, and there are not wanting those who think that the regular dividend may be declared on Thursday, in which case those who have sold what they did not own or control may have some difficulty in meeting their contracts.

The announcement by the Pennsylvania Company, and the publication of the well-matured plans for a tunnel into and across the Island of Manhattan, and for a terminal station in this city not only for itself but also for the Long Island road, has come as a great surprise to the community, and it would seem to the New York Central people as well. It can readily be seen how this move will strengthen the position of the Pennsylvania and is another evidence of the progressive, aggressive and thoroughly up-to-date policy of the management of this property, which from time to time has made changes and improvements in their methods of doing business which the Central has been forced to follow, and now the managers of the Central have been brought face to face with the fact that if they are to hold their trade they must get up and do something besides making the Central purchase and guarantee properties which have bought up big-favoured ones at low figures and put into this company at very high ones. The question as to the rights, to say nothing of the good taste of directors and managers making large profits in this way, might be looked into with great pecuniary profit by the stockholders of this property. That the entrance of the Pennsylvania into New York City will be a serious blow to the Central there can be no doubt.

One of the most important conferences ever held in this country is that of the National Civic Federation which has just adjourned after the appointment of a standing committee of thirty-seven members fairly representing the public, organized labour and employers—the result aimed at being the prevention of strikes and a better understanding between employers and employees. If the ideas and plans presented at this meeting can be carried out one of the most menacing problems of the age will have been solved. When capital and labour can quietly sit down and discuss their differences good is always sure to result.

Within the past month or two much has been said as to the enormous business of the country and the corresponding shortage of cars. It is, therefore, with surprise and wonderment as to the real meaning of it, that the public is now told of the "utter demoralization of railroad rates," and the natural query is, why, if the roads have more business than they can handle, they should throw away their profits. It was