

PERSONALS.

MR. J. M. COURTNEY, Deputy Minister of Finance, who is soon to retire, was invested, on 10th inst., by His Excellency the Governor-General, with the insignia of the Imperial Service Order. Congratulations.

RECENT LEGAL DECISIONS.

FIRE INSURANCE, SURRENDER OF POLICY.—The plaintiffs, estate agents carrying on business in Toronto, insured with the Lancashire three stores in Montreal West, through a person residing in Montreal, who had formerly been an agent for this company. The stores at the time were all vacant, except the apartments over one of them, which were occupied as a dwelling, and two days after the policy was effected another became occupied in the same way. The plaintiffs having occasion to look over their policies, found that it was a rule of the Lancashire office not to insure vacant house property, and they communicated with the insurance company in regard to the matter. As a result the plaintiffs were told, that if they would return the policy to the company's office in Toronto, they would receive back the premium less a commission which had been allowed them. As a consequence the plaintiffs delivered the policy up as cancelled, and the company gave them their cheque for the premium less the commission. Later in the same day the buildings were destroyed, of which fact the plaintiffs received notice the next day. The plaintiffs let matters thus rest and received payment of the cheque. Twelve days after the fire the plaintiffs wrote the company and attempted to undo what had been done; they said that they had learned that the company had exceeded its powers in attempting to cancel the policy in the way they had done, and the money received from the company was returned by cheque. The company promptly sent back the cheque and repudiated the claim, and this was followed by the legal action. The Ontario Court of Appeal affirms the judgment at the trial, holding that the surrender should stand. The plaintiffs urged that the company had no power to cancel the risk in the manner stated, that they should not have deducted the commission, and that the cheque was not payment. It was decided, that while the company could not have compelled cancellation in the manner in which it was done, still they were quite at liberty to propose cancellation, and the plaintiffs having voluntarily accepted the proposal and delivered up the policy as cancelled, and received the rebate, it was then too late to recall what had been done. It was also said, in the Court of Appeal, that payment by cheque is a usual mode of closing such transactions, and that no one expects to be paid in legal tender. It was remarked by the court that the case would have stood very differently if the plaintiffs had on the day of the fire returned the cheque; but retaining the cheque after the fire, and using it as

they had done they could not then be allowed to say that the matter had not been completely concluded, and the risk ended when the policy was delivered up. (*Armstrong v. Lancashire Insurance Company*, 2 Ontario Weekly Reporter 599.)

STOCK BROKER, FORGED AUTHORITY FOR TRANSFER.—The treasurer of a charitable corporation, without authority, took certain railroad bonds registered in his corporation's name to a broker for sale. The broker refused to handle them, unless they were transferred to bearer by the local transfer agent of the railway company. To this end the local transfer agent required from the charitable association a copy of a resolution of its directors authorizing the transfer and a power of attorney to make it. The treasurer of his own motion drew up a resolution of authority and prepared a power of attorney and forged the necessary signatures of the other officers to both. The transfer agent then in good faith made the transfer and the broker sold the bonds. The Superior Court in New York State holds, that it was the duty of the railroad company on seeing that the bonds were registered in the name of the corporation to satisfy itself that the power of attorney was genuine, and it was therefore liable to the association for the value of the bonds so transferred; and that the broker was also liable for selling the bonds on such forged authority, notwithstanding he acted in good faith. (*Jennie Clarkson Home v. Chesapeake*, 117 N.Y. State Reporter 913.) 4t.

Correspondence.

... do not hold ourselves responsible for views expressed by correspondents.

NEW YORK STOCK LETTER.

New York, Nov. 11, 1903.

Interest during the week has centered principally upon the Steel Corporation securities and the Pennsylvania shares. In the former, prices have gone down from 59¾ for the Preferred and 13½ for the Common, to 49¾ and 10 respectively, and the latter from 121½ to 112¼. How much further they will go remains to be seen. How much of this decline has been natural, and how much is due to manipulation, we will not undertake to say, but certain it is that manipulation has not been wanting. A week ago the tip was given out from certain cliques that the Steel Stocks would sell down to 50 and 10 respectively, and this has been accomplished. Now, the point is given out that Pennsylvania will sell down to par before it rises 10 per cent. Whether this will prove as true as did the prognostication regarding the Steel shares remains to be seen. This corporation has undertaken some enormous improvements, which call for vast amounts of capital; but some persons lose sight of the fact that a considerable portion of these improvements are not undertaken with a view of attracting future business, but to take care of the business which is now pressing upon the Company, and which, in the judgment of the directors, who have better means of knowing than any one else, is not likely to diminish, but to increase, and, consequently, such improvements are necessities.