

GIVING A NOTE FOR THE PREMIUM

In the case of Steindrecker vs Mutual Life Assurance Company, a decision of the Ontario Supreme Court, it appeared that the Calgary agent of the Mutual Life Assurance Company took an application from Steindrecker for a policy of \$2000 with an annual premium of \$79, the application containing the usual provision that the assurance should not take effect until the first premium had been paid to the Company or a duly authorized agent during the lifetime and good health of the assured, and that if a promissory note were given for a premium and were not paid, the policy should become void.

The application was forwarded to the Company which issued a policy dated the 7th day of November, subject to the annual premium of \$79, the policy containing the usual condition that the applications were made a part of the policy, that the premiums would be accepted in exchange for official receipts, that the agent was not authorized to deliver the policy before payment, that if so delivered for examination only, and that if any premium or written obligation given therefor were not paid, the policy would be void, subject to the non-forfeiture clause.

The policy was forwarded in due course to the Calgary agent to be delivered to Steindrecker, together with the official receipt to be delivered to him on payment in cash of the first premium, the receipt containing the usual clause that if any promissory note were given for the premium and was not paid the policy should become void, but that the note must be paid.

Steindrecker did not have the cash to pay the first premium, so that the agent delivered the policy and took Steindrecker's note payable to the agent in three months, and the agent retained the receipt.

Steindrecker failed to pay the note.

Now if this transaction was a payment of the premium then Steindrecker's policy bearing date the 7th day of November was in force on the 7th of November in the following year, but the next August Steindrecker died, and in an action on the policy the company disputed its liability on the ground that the premium had not been paid.

The Appellate Division of the Supreme Court of Ontario held that the above circumstances constituted a payment of the premium and that the Company was liable.

"It is, I think," said the Court, "a reasonable inference from all the circumstances, beginning with the making of the note payable to the agent and not to the company, and ending with the payment to the premium by the agent, followed by his application to Steindrecker for payment of the note

long after it fell due, that the agent had led Steindrecker to believe that he would provide for the payment of the note when it matured, and that the agent intended to do this and himself to pay the note if Steindrecker was not able to pay it when it should become due, and that when the agent paid the premium he intended to pay it for and on behalf of Steindrecker and not as he now says, only because he was by his agency obliged thereby to do so."

HENRY EVANS TO RETIRE

The Weekly Underwriter, New York, publishes the following:—

"The Street" received a genuine surprise this week when it became known that Henry Evans, President of the Continental, American Eagle and Fidelity Phenix, would retire from those positions. He had long been one of the strongest figures in American fire insurance. He will continue to be connected with the companies, it is understood, as chairman of the Board of Directors of all three organizations.

Incendiary Fires Levy a Heavy Toll

Pyromaniacs are exacting an annual fiery toll of thousands of dollars from property owners in Manitoba, according to Alexander Inch, Deputy Provincial Fire Commissioner. During the first eight months of 1920 reports have been received of 150 suspicious fires in Manitoba, with more than 40 of these fires established as being of incendiary origin. The loss, through incendiary and suspicious fires this year, already amounts to \$327,880, the commissioner stated, and not one individual has been brought to justice.

Lack of machinery to carry out proper investigations encourages fire-bugs, and Commissioner Inch will recommend that the Fire Prevention Branch be placed under the Law Enforcement Department.

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