

technical objections to the form of action and was content to treat the question of indemnity as if the relation of the parties were the same as that of employer and employee.

The action was brought upon a fidelity guarantee policy issued by the defendant corporation, whereby it agreed to reimburse the Dominion Dressed Casing Company of London, Ontario, to the amount of \$5,000 for the pecuniary loss, amounting to embezzlement or larceny, that it might sustain by the fraud or dishonesty of Martin Mumme, its manager at Hamburg, Germany.

The Casing Company was composed of the plaintiff and said Mumme, the latter being the agent for the sale of sausage casings shipped to him from London. The policy was issued on an application form of the defendant corporation prepared for employees and containing the usual questions, which were answered and signed by Mumme. Among these questions and answers were the following:—

“2. Employment for which this guarantee is required?

A. Representative Dominion Dressed Casing Co., London, Canada.

3. Full name, address and business of employer for whom this guarantee is required? A. Dominion Dressed Casing Co., London Canada.

4. Salary and full particulars of other remuneration from this appointment? A. Salary, and commission on sales, and participation in profits.

Reason for leaving former employment? A. To become partner of the Dominion Dressed Casing Co., London, Ont.”

The defendant corporation sent to the Casing Company a letter with the usual questions to be answered by an employer, with the statement that the replies would form the basis of the contract. Among these questions and answers were the following:

“ (a) In what capacity or office will the applicant be engaged, and where? A. As representative in Hamburg, Germany.

(e) How often will you require him to render an account of cash received and pay the same to you? A. Monthly or oftener if necessary.

(g) How often will you balance his cash accounts, and how will you check their accuracy? A. Account sales rendered weekly, balance sheet monthly.