surance on the class of property offered by the insured, and being familiar with his duties as agent, the defendant accepted the application and the premium, and issued an interim receipt on the form intrusted to him by the plaintiffs. In view of the evident carelessness of the defendant and the plaintiffs' denial of the receipt of the application, I find difficulty in accepting the statement that the application was sent to the plaintiffs. . . .

A suggestion was made that the interim receipt was valid for thirty days only from the time of its issue. The blank in the printed form at the foot of the receipt, which is intended to limit the time for which it would afford protection to the insured, was not filled in; and Jeffery & Dainard may well have thought that there was no question of limiting the time, especially as the defendant treated the insurance as being in force, and accepted the balance of the premium months after the application was made.

On the 1st June, 1911, the defendant wrote to the plaintiffs, expressing regret that "carelessness and absence of method on my part, principally owing to the pressure of other and outside business, have caused you so much trouble and me so much anxiety." And, later on, he says: "As to the premium, that was paid, at least to me; and if it was not paid to you, which, I think, under the circumstances, was quite likely, that was my fault, and not that of Jeffery & Dainard, and it is still owing by me to you." . . .

It is clear to me that the defendant acted negligently and carelessly and without due regard to the interests of his principals, the plaintiffs, to such an extent as to render him liable.

As to the effect of the issue of the interim receipt, reference may be made to Stoness v. Anglo-American Insurance Co., 3 O.W.N. 494, 886.

The question of the liability of an insurance agent is considered in 22 Cyc. 1437, where it is stated that the agent must respond in damages for any breach of duty arising out of his relations as agent which has resulted in injury to the company; and in support of that proposition is cited Connecticut Fire Insurance Co. v. Kavanagh, [1892] A.C. 473.

If the agent violates instructions as to the class of risks which he is to insure, and thereby renders the company liable for a loss on a risk which would not have been accepted had the instructions been observed, the agent will be liable to the company for the amount of loss which it has been compelled to pay on account of such risk: 22 Cyc. 1437, 1438.