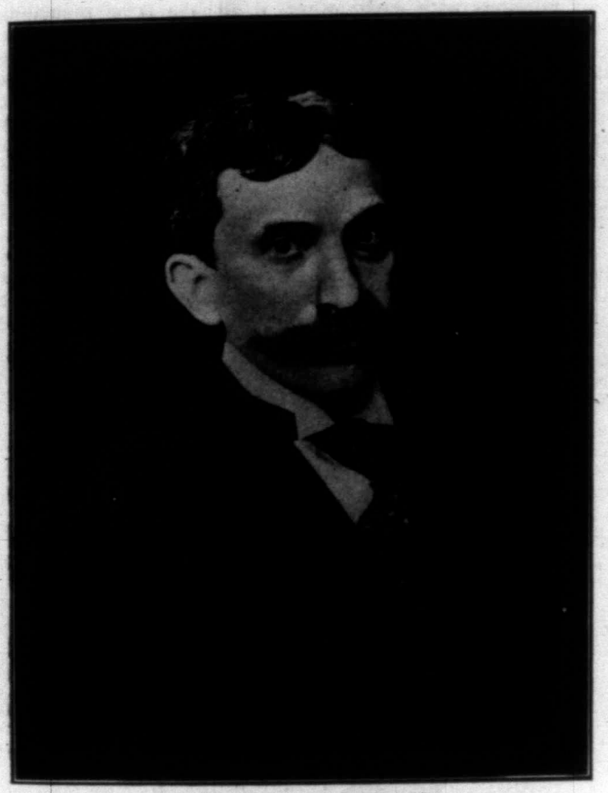
the words "in or on" a conveyance may be fairly interpreted to include being upon the platform or steps of the same. This involves also the question regarding getting on or off a moving conveyance, and whether single or double benefits are payable for injuries sustained under such circumstances. Various questiosn have likewise arisen under the paragraph referring to burning buildings, and that could not be settled satisfactorily, except by resort to the courts.

According to De La Montaigne, "We take other men's knowledge and opinions upon trust, which is an idle and superficial learning; we must make it our own. We are in this very like him who, having need of fire, went to a neighbor's house to fetch it, and finding a very good one there, sat down to warm himself without remembering to carry any with him home."

Leaving out the question entirely the legal phases of this subject, it is undoubtedly true that the moral hazard has never been adequately considered in connection with the double indemnity clause of the policy. Each company official or representative here present will, no doubt, admit that more fraudulent claims have been made involving double benefits than under any other clause of the contract. This is the experience, not only at the present time, but numerous cases on record in the past prove conclusively that limbs have been deliberately thrust under moving cars, in order to secure double benefits for the severance of hands or feet; that buildings have been maliciously set on fire so as to make out a claim for injury sustained in a burning building; that suicides have not infrequently been carefully planned and successfully carried out under conditions that meant the payment of a large sum either for the family of the deceased or to meet some business exigency that the assured was unable to meet in his lifetime. Every company in this Association can doubtless recall one or more cases of the kind referred to, and while it may have been difficult, if not impossible, to establish the fraud conclusively, and defeat the claim, the facts and circumstances surrounding the case led to the inevitable conclusion that the claim was not bona fide. One of the recent and most notable cases on record of this sort is the Everson case, in which John J. Everson, a resident of Boston, and at one time a prominent contractor, secured accident insurance aggregating nearly sixty thousand dollars in five companies. Shortly after the policies were in his possession, Everson made a trip to a lonely spot a few miles outside of St. John, New Brunswick, where he had been conducting a series of experiments for nearly a year with a kind of a mineral earth found in that locality. He claimed that while there and during the early morning hours of a cold November day, his hand was caught by the door of a burning stove or flume in the cabin where he was living and so badly burned as to necessitate amputation at the wrist two days later at the St. John Hospital. He alleged also that he barely escaped from the cabin with his life and that the building was burned to the ground. Notice of the accident was given promptly, as well as notice of the amputation, and claim was immediately made for double indemnity for loss of a hand in a burning building. Investigation showed that at the time of applying for the policies, Everson was practically bankrupt and was not in receipt of any regular income, but, on the contrary, was heavily in debt. It also developed that there were no witnesses to the accident, and that Everson could give no connected account of the circumstances from the time that the hand was caught by the door until he found himself outside the cabin with his hand burned partly off. It would be difficult to imagine a more dramatic situation, or one more skilfully conceived to awaken the sympathies of a jury than the recital of such a story with the scene laid in a lonely cabin in the wilds of Nova Scotia and with the artificial stump of a hand as the eloquent, if mute witness, and no eye viewing the tragedy, save the ever watchful eye of the Almighty. In spite, however, of the apparent impossibility of establishing the claim to be fraudulent, the companies denied liability and refused to pay the loss. Suit was begun forthwith against each company, the first case coming on for trial about six months ago, and resulting in a verdict for the full amount claimed, together with interest and costs, aggregating twelve thousand dollars. This verdict was affirmed by the Supreme Court of Massachusetts, and the amount was subsequently paid. Shortly thereafter, two other companies fearing a similar experience, settled with the claimant for some amount less than the full sum claimed under their policies. The company with which I am associated was one of the five companies to insure Everson, and to offer a reasonable compromise settlement that was refused. The case, therefore, proceeded to trial at Cambridge, Mass., a month ago, and after hearing the evidence for two days, the jury brought in a verdict for the company. The defense was a simple one, uncomplicated by technicalities or fine distinctions of law. We maintained that the claim was fraudulent, that the claimant did not and could not meet with the injury in the manner described. The jury believed the company, in spite of the severed hand and the artfully told story of one of their own citizens. This case however, has cost the companies concerned more than twenty-five thousand dollars thus far, with one more company still to fight it out with the assured. The important feature of the case was the claim for payment of double indemnity for loss of the hand in a burning building and hundreds of dollars were expended by the companies in expert opinions, and in making experiments with specially constructed models, in order to prove that the claimant's story was false.



Edson S. Lott, Chairman Press Committee,
President United States Casualty Co.,
New York.

Numerous cases of more or less the same sort might be cited to sustain my contention that the double indemnity clause as at present constituted, is misleading, indefinite and dangerous; that it often involves the company in great unnecessary expense, incites policyholders to self-inflicted injuries, and even suicide, and encourages fraudulent claims. That no real good is to be subserved by the payment of a larger indemnity for one or more kinds of accident than for all others covered by the policy. That it promotes extravagances among the companies and leads away from the conservative happy medium in underwriting that means stability and permanence.

The chair announced that Mr. Jones had received a telegram from Mr. Seward, President of the Fidelity & Casualty Company, to the effect that a committee of the Georgia Legislature had reported to the House adversely on a bill to render accident insurance companies liable to payment of death benefits despite proof of suicide. The chair then accepted a motion for adjournment and announced ten o'clock as the hour for beginning Thursday morning's session.

THURSDAY'S SESSION.

"The Department, the Company and the People" was the title of the opening paper Thursday morning, Hon. Arthur I Vory, ex-Insurance Commissioner of Ohio, presenting many ideas worthy of the delegates' consideration. The paper, in part, was as follows:—

It would be invidious to make any comparison between you who are engaged in accident insurance and those operating other lines of insurance, but I have no hesitation in saying that in the business world there is no class more honorable, honest, useful, earnest, progressive, up-to-date and able to take care of themselves in maintaining the high standard of their business, as well as in competition with each other, than those conducting the institution of insurance. There are none in this class who merit this characterization more than the casualty underwriters. It was my duty in recent years to participate in the supervision of your operations, and in so doing it was most interesting and gratifying to observe the