

INSURANCE QUESTIONED

Examination Reveals Weak Points

What has NFCUS done this time? In an attempt to popularize themselves on this campus and others they have made an effort to set up a life insurance scheme. They did not have a recognized firm underwrite the plan but one which is very new and very small. Insurance underwriters questioned about this stated that none of the larger firms would be very likely to underwrite such a plan but that a new firm just beginning operations might, in its eagerness to secure customers, go along with the NFCUS proposals.

We have stated that the underwriters are a new firm. Some figures might substantiate this.

| Firm | Established date | Total Assets |
|---------------------|------------------|----------------|
| Confederation Life | 1871 | \$ 341,147,349 |
| Manufacturers Life | 1887 | 652,780,092 |
| Sun Life | 1865 | 1,948,776,948 |
| Crown Life | 1900 | 219,129,675 |
| Great West Life | 1891 | 556,000,000 |
| Imperial Life | 1897 | 217,576,749 |
| Canada Life | 1847 | 515,000,000 |
| Canada Premier Life | 1955 | 883,757 |

All of the insurance companies listed are Canadian companies with their head offices in Canada. All are well established companies with the exception of Premier Life and Premier was the firm selected by NFCUS to underwrite their Insurance plan.

We must state that Canadian Premier Life is in no way a disreputable organization. It is listed in the publication of Stone & Cox and so has complied with the Canadian Government regulations applying to insurance companies, however it is not old enough for Stone & Cox to establish an editorial opinion. It is the result of an amalgamation of the Canadian Premier Life Insurance Co. and the Dominion General Benefit Association which occurred on Dec. 31, 1955. The presently constituted company is now nine months old.

ABOUT THE PLAN

The NFCUS folder attractively presents the special features of the plan. Several of these features have questionable value.

1. Low initial rate. The rate is \$3.50 per thousand. The larger companies charge about \$4.30 per thousand. The extra security of a larger company's policy makes the extra price almost worth while. There is a catch to the low price which will be covered in a following point.
2. Adequate term coverage. Term insurance is not recommended by underwriters for college students. It is useful when an individual has a heavy load of debt which is expected to be temporary (such as a business debt of a partnership) which could become a personal debt in the event of the death of the individual. In this case a person would be wise to insure himself for the period during which he expected the debt to exist.
3. Right to convert at earlier age and thus obtain lower ultimate premium. This clause is common to similar plans of all the major insurance companies.
4. Cash credit allowed on change to permanent plan. The NFCUS plan allows a cash credit of \$25.00 on conversion to the Ordinary Life plan. (Major insurance firms allow the TOTAL AMOUNT PAID IN PREMI-

UMS as credit on* conversion to a different insurance plan; (Provided assured pays for preceding 10 years at age 20) or about \$350.00 in the case of a comparable plan.)

*Major life companies have a variety of plans to choose from upon conversion — it would seem that the Premier offer only one— Ordinary Life.

5. Guaranteed protection even if permanently disabled. This feature is common to policies of all Canadian insurance companies.
6. No war clause. No Canadian insurance company has had a war clause for some time.
7. Immediate coverage on issuance of policy. 30 days grace for payment of first premium. This courtesy is extended by all companies. If death occurs in the period of grace, the premium is deducted from the cash settlement. Any arrangement more generous than this is illegal.
8. Right to assign policy as security for loan. A term policy from any underwriter is not valid collateral as it cannot be converted into cash unless the policy holder dies. Most loans are automatically life insured.
9. Generous settlement options—guaranteed life pension for you if you live or for your beneficiary if you die. This is only true after the term insurance has been converted to the Ordinary life or other plan, which is the case with any term plan.

Other companies offer aviation coverage with no restrictions. The NFCUS plan does not cover the pilot or crew of an aircraft. A medical is necessary unless 50% of the campus enrolls in the plan. Most companies do not demand a medical.

It was pointed out by insurance underwriters that it is not a good policy to buy insurance by mail. A life insurance program must be discussed with a representative of the company which the individual decides to buy insurance from, the requirements



Last Monday the Honourable Chancellor of the University, Lord Beaverbrook, had an informal meeting with his scholars in the Student Centre. Here he is seen talking to Elsworth Briggs, a senior Arts student. On his left is Jack Murray, Alumni Secretary, and Miss Staples, a scholar from Saint John.

At the meeting His Lordship spoke with many of the students, who were introduced to him by Mr. Murray and the Public Relations Officer, Mr. Tunis.

Freshmen and SRC Rep. Nominations Called

Nominations for positions on the S.R.C. and for Class Officers must be handed to the President or the Secretary of the S.R.C. by noon of Saturday, October 27, 1956.

On the S.R.C. itself, eight representatives are required from the Freshman Class, one of whom must be a girl. The Sophomore Class requires two members. In association with the above, the Freshman Class must submit nominations for a President, a Vice-President and a Secretary-Treasurer; the Sophomore Class for Vice-President and Secretary-Treasurer; and the Senior Class for President, Secretary-Treasurer and Co-ed Representative.

All nominations for the named positions must be in writing and must be signed by a nominator and seconder, both of whom must be members of the class concerned.

NO SMOKER!

The Engineering Smoker scheduled for today has been cancelled. Woodbridges Cabins in which it was to be held has been broken into and considerable damage done, and thus cannot be rented at the present time. Engineers are advised to watch their bulletin boards for future developments.

ATTENTION GUYS

A coffee party for Freshettes will be held in the boxing room of the gym from 10 to 12:30. You Upper Classmen are invited to meet the new 'stock' as well as get a free cup of coffee.

being different for each individual. The NFCUS plan is not represented in eastern Canada. Term insurance from the (Continued on Page 3)

TRAIN FINALLY O.K.d

At the second meeting of the S.R.C. held in the all purpose room of the Centre on Oct. 17 at eight P.M., the major topic was the proposed train to Mt. A. The Council had the previous week decided to assume responsibility for anything beyond the sale of tickets and the chartering of the train. The problem of chaperones and Campus Police had been omitted from the discussion and the S.R.C. decided that they were obliged to take the responsibility. A committee was set up of the Executive of the S.R.C. to decide how to handle the problem to the best financial advantage of the council. It was definitely decided that at least four chaperones who must be married as well as members of the campus police must accompany the students to Mt. A.

NFCUS Aids Larger Universities

During the final sessions of the NFCUS conference which was held in Montreal last week the National Assembly passed legislation designed to give the larger member universities in the organization aid. In addition to the sliding scale system of fees, by which a university pays less the larger its enrolment because, the bigger colleges were given greater voting power.

A university with an enrolment of 100 to 750 is given one vote under the new system. One with 750 to 1500 two votes and so on. Under this plan U.N.B. has two votes at the National Assembly, but an increased enrolment of only 300 would give the university three votes.

The other important business of the Assembly was to elect a new national president, in succession to Peter Martin. He is Gabriel Gagnon, of the University of Laval, the first student of a french speaking university to become president of the National Organization. The president of the Atlantic Region, David Peel of Dalhousie, was re-elected.

Another matter brought up was the contract for the Senior Class pictures to be placed in the Year Book. Apparently, Paul Croker, the editor of the Year Book had changed the concession of the Senior Class photographs from Harvey Studios to Joe Stone's without consulting Harvey Studios who were quite upset. After much discussion, it was decided that the incident was unfortunate. Paul Croker will go to Harvey Studios and explain the situation.

The N.F.C.U.S. Conference recently held in Montreal was reported on by Alex Matisse, President of the U.N.B. branch of N.F.C.U.S. The voting system of the organization has been changed to give universities a representative vote.

Jim McDonald, President of the S.R.C., who attended the N.F.C.U.S. conference, spoke on behalf of the organization. He suggested that although the benefits to be gained were not the tangible kind, students might gain much if they support the organization. He cited as an example of a university which does profit, Dalhousie. In Halifax the student discount plan does work and an exchange student plan will go into operation in the future. The President also suggested that in future years Freshmen and Sophomores be sent as representatives to the conferences. That experience, he said, would aid them and the university.