

### Abandonment

However, we are dealing with a risk that in the course of being transported from one place to another may come within the jurisdiction of the Admiralty Courts and under the *Marine Law* the doctrine of abandonment is more favorable to the assured and *permits of abandonment*, if the *cost of repair exceeds fifty per cent of the value when repaired*. If there be a waiver of this abandonment clause the assured would receive the face of the policy under a "C. T. L." as though there had been an actual total loss of the risk.

Clause 3 is the collision clause. This feature is a source of great loss to the Company as when an accident occurs, however slight, the insured feels it is his opportunity to secure a new car or at least a general overhauling of the car at the expense of the company and an agent functioning as the home office representative, and being alive to a rate commensurate with the risk, will see to it that these losses are taken care of promptly and at the lowest minimum expense. It is best to urge the hundred dollar deductible and thus permit the insured to be co-insurer to that extent and by so doing avoid the petty claims that in the aggregate make for disastrous losses.

Clause 4. Properly damage. Originally this coverage was the legal liability imposed by law upon the insured for damage to property of others. Recently the coverage has been extended to cover claims made upon the assured regardless of the legal technicalities involved and the losses have assumed staggering proportions due to the misconception on the part of insureds and others as to what this clause rightly covers and what its limitations are. There can be no just claim made unless there was negligence, fault, or contribution on the part of the insured and there should be a close scrutiny of the rights of the policy holder before a claim is assumed to be a loss, otherwise the future will bring with it a material increase in rate for this clause which can be avoided by proper adjustments today.

### Exclusions

The Liability Policy. The personal injury coverage in a combination policy is usually the last clause and it is uniform in every particular with a policy containing this feature exclusively. First medical aid is included without regard to the liability involved and is always cheerfully paid by the Company.

The exclusions are similar but not uniform. All companies exclude injuries to employees of assured, but the policy would cover were the injury to occur while the employee was acting as the commonality.

There is a further exclusion, that of trailer use, unless specific note is made of the towing. The

policy today by reason of the so-called omnibus clause covers the liability of any person, firm, or corporation interested in the automobile and therefore it is as never before of consequence that the limits of liability should be in ratio to the probable judgment that may be secured. Heretofore most agents have been satisfied to write five and ten limits, but we all have in mind instances where the judgment was far in excess of this amount and it is good practice to insist upon 10 and 10 as being the standard limit. An illustration of the operation of the five and ten limit can be had from a case involving judgments in favor of three individuals. One receiving one thousand, second, three thousand, and third, six thousand, totalling ten thousand. Under such limits as cited the company would pay nine thousand, the insured paying the remaining one thousand. If, however, the limits were ten and ten the Company would pay the loss in full.

### Larger Limits Wanted

There is a growing demand for larger limits. In the meanwhile there are innumerable policies being issued for excess limits which is being handled by a special policy. The manual displays the rate and there is no phase of our business so attractive and so remunerative as increased limits. An office recently addressed a personal letter to all policy holders on this subject, and secured a volume of premiums far in excess of their expectations.

By reference to the manual you will observe that certain groups of owners have preferred rates, the most desirable class being those individual owners who drive for pleasure exclusively. The next select class is that group who drive for pleasure only yet employ chauffeurs or permit the family or others to drive.

If it is agreed that our aim is to eliminate as far as possible the "won'ts and don'ts" in a policy then the restrictive endorsements which are attached to a policy setting forth these facts and permitting of a reduction in premium, should only be affixed upon the personal request of the policy holder, otherwise an embarrassing situation develops when a loss occurs under any other condition than as outlined in this clause.

Something has been said of the insuring of merchandise in transit and of aircraft. This subject would be embraced in a discussion of marine underwriting. The movement of commerce in short hauls is now being done extensively by motor trucks, without protecting bills of lading and one engaged in our profession no longer can confine his activity to one special phase of insurance, but must keep abreast with this era and accept the blessings so bounteously bestowed.