

DISABILITY BENEFITS

(Actuary A. R. Grow, New York Life.)

(Continued from p. 345.)

BENEFITS IF DISABILITY OCCURS BEFORE AGE SIXTY.

If the insured becomes totally and permanently disabled before age sixty, and submits proofs to that effect before default in the payment of the next premium, that premium will be waived, and the company will continue to waive each future premium as it becomes due during disability. One year after proofs are received the company will begin to pay the amount of the policy in instalments, one-tenth being payable at that time and one-tenth in each succeeding year until the company has paid an amount equal to the face amount of the policy and any additions from dividends.

The right to receive the full benefits, including waiver of premium and instalment payments, continues until the company has paid the full amount insured. It does not matter if, during the time when the premiums are being waived and when the instalment payments are being made, the insured should reach the age of sixty or not.

An example may serve to make this provision of the policy clearer. Let us assume that a man takes a policy at age thirty-five and becomes disabled at age fifty-eight. He would then receive all the instalment benefits just the same as if he had become disabled at age forty. The fact that during the time of instalment payments he may or may not pass age sixty has no effect on this provision of the policy.

BENEFITS IF DISABILITY OCCURS AFTER AGE SIXTY.

Some may wonder why the company does not extend the disability benefits in full force on an ordinary life policy so long as the policy is continued; in other words, they wonder why the company changes the style of the benefit if disability occurs after the insured reaches the age of sixty. The reason is that the chance of disability increases very rapidly at ages over sixty. Practically every one is disabled and unable to earn a living long before age ninety-six, which is the extreme limit of the age in the table of mortality on which the premium is calculated.

If the company were to grant the full disability benefits, including instalment payments, to those cases where the disability occurs at ages over sixty, it would materially increase the cost throughout the whole duration of the policy because many cases would become disabled after age sixty and mature practically as 10-year endowments payable in ten installments. By limiting the benefit to waiver of premium if the disability occurs after age sixty, and reducing the amount of insurance for such waived premium, the cost is much less than it would be if the company should grant full disability benefits in all cases.

HOW POLICY WORKS OUT IF DISABILITY HAPPENS AFTER AGE SIXTY.

After the insured is sixty, if he becomes disabled, the premiums are waived by the company and the face of the policy is reduced by each premium waived. The reduction in insurance reduces the premium also, so that the second premium deducted is less than the first, and the third is less than the second. The longer the disability continues, the smaller is the premium deducted.

ESTIMATE OF THE FEBRUARY FIRE LOSS.

The losses by fire in the United States and Canada during the month of February, as compiled from the records of the *New York Journal of Commerce*, aggregate \$21,744,200, as compared with \$23,204,700 in January, and \$22,084,600 in February last year. The losses thus far this year reach a total of \$44,948,900, as against \$42,277,850 credited against the same time last year. The following table gives a comparison of the losses by months this year, with those of the same months in 1913 and 1912, together with the monthly record for the balance of those years:

	1912.	1913.	1914.
January	\$35,653,150	\$20,193,250	\$23,204,700
February	28,601,650	22,084,600	21,744,200
Total 2 months . .	\$64,254,800	\$42,277,850	\$44,948,900
March	16,650,850	17,511,000	
April	10,340,400	16,738,250	
May	21,013,950	17,225,850	
June	16,103,450	24,942,700	
July	15,219,100	20,660,900	
August	14,158,800	21,180,700	
September	13,779,300	17,919,300	
October	13,651,650	14,932,750	
November	16,172,300	15,207,600	
December	17,967,000	16,126,450	
Total for year . . .	\$225,320,900	\$224,723,350	

There were during the short month of February no less than 353 fires credited with causing an estimated property damage of \$10,000 or over in each instance.

The fire underwriters have had a hard experience so far in 1914, remarks the *Journal of Commerce*, the heavy fires being in insured risks and not on public buildings, forests and other property not carrying insurance. Apparently the current year will be an unfortunate one for many fire insurance companies.

RIMOUSKI FIRE INSURANCE.

With reference to the rumours on the Street this week regarding the Rimouski Fire Insurance Company, THE CHRONICLE is able to state definitely that at the present time the business has not been re-insured. Negotiations looking towards that end have been carried on with a tariff office, but they have not yet been completed. Neither at the moment are they in such shape as to admit of it being said definitely that they will go through.

We understand that instructions to discontinue writing, business have been issued by the Company.

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The Grand Trunk is known as "The Double Track Way" between Montreal and Toronto, with four express passenger trains daily, carrying highest class of equipment. The International Limited, known as the "Greyhound of Canada" is the finest and fastest train in the Dominion, and leaves Montreal 9 a.m. every day in the year. The 10.30 p.m. train is the fast night express and carries, in addition to electric lighted Pullman sleeping cars of the latest design, a Club Compartment Car, which is divided into one drawing room, five private compartments and a club room, containing twenty comfortable chairs, where refreshments and a bite to eat may be obtained.

Everything in connection with these trains appeals to the most fastidious traveller. The other trains leave Montreal at 9.40 a.m. and 7.30 p.m.