

THE ACCIDENT INSURANCE COMPANY OF NORTH AMERICA.

The agents of a rival company have lately been issuing misleading circulars containing garbled statements about the Accident Insurance Co. of North America. All attempts to build up one's business by running down that of an honorable rival is very reprehensible and of doubtful propriety. The Accident Insurance Company of North America is a sound, well-managed and valuable institution, bearing an honorable record heretofore. Some short time ago it was examined by the Commissioners of five different States, all of whom were perfectly satisfied as to its financial standing and issued certificates accordingly.

The sub-joined circulars will explain themselves :

CIRCULAR OF MR. J. H. NOLAN.

"How the World is given to Lying."—Shakespeare.

LAW OFFICE, GEORGE C. FRY, 85 La Salle St. J. H. NOLAN, General Agent, Chicago. CHICAGO, Aug 22, 1885. DEAR SIR : In relation to suit against The Accident Insurance Co. of North America, represented by Messrs. Larrabee Bros. as Managers Western Department, I will state that that suit is still pending and undetermined in the Circuit Court of the United States for the Northern District of Illinois. The case was set to be tried on the 20th of May last, before Judge Dyer, who was holding court here, but the appropriation by Congress being insufficient to pay the jury their fees they were discharged just one week prior to the last-mentioned date. This throws the case over until October next. This suit will not be settled until The Accident Insurance Co. of North America pay over to my client the \$10,000 they owe her, with 6 per cent. interest since the claim matured, which was in July, 1884—11 months ago. Yours truly,

GEO. C. FRY.

LAW OFFICE, WYMAN BROS., 116 La Salle St. JOHN H. NOLAN, Gen'l Agent The Trav. Ins. Co., Chicago. CHICAGO, Sept. 12, 1885. DEAR SIR : I was the attorney for Mrs. Elena Loudon (the widow of De Witt C. Loudon) vs. The Accident Ins. Co. of North America, Messrs. Larrabee Bros., Managers. Her husband was killed August 3d, 1884, at the Western Ave. Switch, C. & N. W. R'y Co., Chicago, while employed as switchman. His policy was for one thousand dollars. This Canadian company refused to pay the claim in full outside the courts, notwithstanding Loudon was killed while following the same occupation he was in when he applied for his policy. His widow, being a poor woman, and rather than encounter a protracted litigation with those Canadians, compromised her claim, which should have been paid in full, for 50 cents on the dollar of its face, the last of April, 1885, over eight months after Loudon was dead and buried. Yours truly,

GILBERT WYMAN.

Note.—I offer the above certificates as proof of the unreliable character of the circulars issued by Messrs. Larrabee Bros., Chicago, and George Cline, State Agent, Milwaukee, dated May 1st, 1885, in which it is stated that the company they represent—The Accident Insurance Co. of North America—had no claims unpaid or resisted, and that all claims were "paid in full," when as a matter of fact the \$10,000 claim above referred to had matured to months prior to date of their circulars, was then (and still is) unpaid, and besides, everything was being done then, as now, to resist its payment, as Mr. Fry says.

Attorney Wyman explains the peculiar Canadian method of paying claims "in full." J. H. NOLAN, Gen'l Agent. The Travelers Ins. Co. CHICAGO, Sept. 12, '85.

REPLY OF MR. EDWARD RAWLINGS.

THE FACTS.

No. 1.—E. M. Crandall (Mr. Fry conveniently neglects to mention what case it is) committed suicide by hanging himself by his braces to a door knob, in July, 1884. A verdict of "suicide by hanging" was rendered. As we, in common with other accident companies, do not insure against suicide, we declined to recognize any responsibility, and Mr. Fry commenced suit on the 17th January, 1885. The matter was therefore, referred to our Chicago counsel to defend, who advises us that Mr. Fry subsequently proposed to him to settle for \$6,000, which he declined. Mr. Fry seems to have forgotten this for the occasion. Our counsel further advises us that he used every means to urge Mr. Fry to proceed at the time the trial was fixed, but Mr. Fry raised obstacles, and hence caused the case to be "thrown over." The case of Crandall is, I think, sufficiently notorious in Chicago not to require further comment from me, and I think had Mr. Fry or Mr. Nolan mentioned the case by name, their charges would have fallen very flat.

No. 2.—In the case of Loudon, Mr. Wyman conveniently suppresses

the fact that the man had allowed his policy to lapse by non-payment of premium. The cancellation of the case was reported to us and duly entered in our books. When, two months afterwards, he was killed, an appeal on behalf of the widow was made, and although we were not bound in law or honor to pay a cent, on these sympathetic representations and our hitherto satisfactory relations with his employers, we presented her with a cheque for \$500. The "Canadian method" of treating such cases will not, I think, bear unfavorable comparison with what has been experienced from other companies under similar circumstances!

If the representatives of the Travelers' Insurance Company base their grounds for the defamation of this company on such pretenses as these and those of Mr. Mosher, I can only say that they are resorting to very flimsy excuses, totally unworthy a corporation that aspires to respect and confidence.

I have been urged to retaliate upon the Travelers' Company, and voluminous facts and testimony have been proffered me for that purpose, but I decline recrimination, preferring to attend to and advance the business of our own company to meddling in the affairs of our competitors. We base our claims to confidence on *our own* record, not on the vilification of our neighbors.

The company has aimed to honorably transact its business with honest men, and while it has and always will treat cases of doubtful liability, where attempt at no fraud is apparent, with the utmost liberality, it has no intention of being intimidated by "enterprising" lawyers, by whomsoever hired or instigated, into squandering the funds intended for legitimate purposes to the payment of unwarrantable demands, even in the face of threatened "exposures" of the nature contained in the letters put forth by Mr. Nolan. E. RAWLINGS, Managing Director of the Accident Insurance Company of North America.

MONTREAL, Sept. 26th, 1885.

"Must have been either Fools or Knaves."—The so-called value policy law of New Hampshire is a very striking example of legislative demagogism. By requiring insurance companies to pay the full amount of a policy in the event of loss by fire, it runs counter to the fundamental principles of sound insurance, and places a premium on arson. The contract embodied in a fire insurance policy is merely one for indemnity. The insurer binds himself to make good any loss caused by accidental fire up to and within a stipulated figure. It is only the actual amount of his loss that the policy-holder is entitled to recover, so that if his property is insured for its full value in two or more companies the loss must be equitably divided among the companies responsible. This is the general law, and that it is both wise and just will appear upon a little reflection. It is to the interest of all that destruction by fire should be as much as possible restrained, and it is therefore very desirable that no property-holder should honestly have anything to gain from such destruction. The New Hampshire law changes the essence of the contract, and reduces it to a species of gambling, in which the insured has every chance to cheat. It is an invitation to fraud and a blow at honest business, and as such it is a disgrace to the Legislature which gave it being. The men who voted for it must have been either fools or knaves.—*Philadelphia North American*.

Flour-Mill Explosions.—The flouring-mill hazard is a pretty desperate one all round; and it becomes particularly so for firemen, when the chances of dust-explosions are considered. These explosions may cause fires, and fires may on the other hand, cause them, and in any case they are dangerous casualties to experience. The recent occurrence of this kind at Leavenworth, Kansas, which took place during the progress of a fire, and carried away one of the main walls, killing and injuring several people, recalls the several explosions in Minneapolis where the damage to life and property has been still greater. The last one, which occurred in the winter of 1881-82, like the one in Leavenworth, was caused by a fire, and killed several brave firemen, who had risked their lives to save the property. The phenomena of mill-explosions is little understood, and this fact renders the risk from that source so much the greater. Between the perils of burning drug-stores, the stench of roasting hemp, the treacherous walls of most modern buildings, and the special danger we have referred to above, the fireman has a rather lively time of it. That is just what he has to face every day, all over the country.—*Western Fireman*.