

PROOF OF DEATH IS NECESSARY

Why the Life Insurance Companies Must Be Sure that Claims Are Good—Safety of the Policyholders

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The question of the proof of death required by life companies in certain cases, has recently aroused some comment in the public press. As was expected this has brought forth abundant evidence that the companies are dealing in the most liberal spirit with claims arising out of the great war, in respect of which unusual difficulty is experienced in securing confirmatory evidence of deaths reported.

In the case of soldiers and sailors dying while on active service such difficulties have always arisen, but especially is this so in the present war.

The enormous number of troops engaged, the huge territory over which operations are carried on, the vast fleet spread over the oceans of the world and the frequent shifting of men in both services to some other detail or some other sphere of activity, all make for liability to error in the early reports of casualties so eagerly demanded by anxious relatives and friends of those engaged.

Similarity of name, a misread or misplaced figure in a number of one of the rank and file, the partial destruction of records by exposure, owing to their often having to be compiled in the open field, under difficult and nerve racking conditions, are alone sufficient explanation of cases of mistaken identity and premature reports of casualties.

Frequency of Errors.

Unfortunately, owing to the frequency of these errors, the torture of uncertainty is now too often added to the sense of bereavement, on receipt of the dreaded official telegram. It is the unreliability of these reports which has increased the difficulties of life companies in dealing with these claims. Dependants of those fallen on the field of honour should, least of all, have to endure the added hardship of lack of money in their hour of grief, the officials of life companies, however, would be false to their trust, if they paid claims for sentimental reasons, or before their experienced judgment was satisfied with the proof of death submitted. The companies are helping the public in every way possible.

Reputation for Prompt Settlements.

Apart from the sympathetic feeling which must prompt all having business dealings with relatives of the gallant dead, to save them unnecessary delay and expense, it has long been recognized by life assurance officials, that a reputation for the prompt settlement of claims is the best advertisement a company can have. The companies, consequently, vie one with another to secure this. The fact is the companies have done so much for the public, that the public too often usurps the right to ask for more.

Claims lacking any real proof of death are not an unusual experience of life companies in ordinary times of peace. These are sometimes due to ignorance, or lack of business training by the claimants, in which case they receive patient and sympathetic hearing by the company concerned.

More often they are made by those aware of the unwillingness of life companies to defend a claim in court. An unwillingness due to the fact that life companies, in common with railways and customs officials, are too often condemned by the public, without a hearing and without experience of the moral hazard to which the companies are always exposed.

Policyholders who Disappear.

Such claims are usually in respect of policyholders who have disappeared in some unexplained way. No proof of death can be furnished, but because the company cannot prove the disappearance to be alive, they are asked and expected, not only to forego the receipt of premiums, but also to pay over the policy money.

The fact that it is no part of the contract that a company should have to prove a policyholder to be living, but it is part of the contract that unquestionable proof of death shall be furnished by claimants, is ignored by those claiming, and too often by the public when passing judgment upon a company defending itself against an unjust or even fraudulent claim.

Domestic unhappiness, financial difficulties and moral delinquencies are common reasons of these disappearances

and much trouble is taken by those who would vanish to mislead those left behind, even to the extent of feigning death from various causes.

To Establish Existence.

It is, of course, to the interest of companies to establish the continued existence of the missing, but it would be an injustice to other policyholders to incur expenses for that which neither law nor justice holds them liable and which they could not defend if called to account.

One of many of these incidents will serve to illustrate how companies are exposed to these claims.

A lawyer, at one time well known, committed a breach of trust and fearing arrest disappeared, leaving a note stating he was about to end his own life. The body was not found, nor did enquiries at the time result in any trace of the missing man.

A policy on his life was held by a creditor who then claimed the policy money. The company pointed out how improbable it was that the missing man, who was in the prime of life, was dead and how unjust it would be to their other policyholders to admit proof of the claim upon such unsatisfactory evidence.

Under protest the creditor paid the premiums for a few years and then on the pretext that further search and advertisement had failed to locate the missing man, made another application for payment of his claim.

The company, thereupon carefully investigated its records and discovered that the lawyer had at one time acted as agent for a company in another country, and, upon enquiry, it was found he had recently drawn in person, commission upon business introduced there in earlier days. Existence was thus established and admitted.

The lawyer is still living, the policy is still in force and the claim was first made more than 15 years ago.

WHEAT CITY IS STILL BUSY BRANDON

(Staff Correspondence.)

Brandon, November 3rd, 1916.

The wheat city of the west has gone back on its name to some extent this year, or at least the district round about it has, for the wheat is not to be found in such abundance as it usually is, more particularly in southern Manitoba. General conditions are fairly good in Brandon. A number of substantial buildings have been put up this year. Ex-Mayor Hughes heads the list with five stores and a theatre on 10th Street costing about \$60,000. Mr. Geo. Patterson is also building a wholesale warehouse on 10th Street costing about \$50,000. Mr. Curran, of the Brandon Hardware Company, has built a block costing about \$40,000. Mr. Coldwell also built a business block costing about \$20,000. The optimism of these men has been fully realized, as the buildings have been all rented and will be fully occupied.

Mr. A. A. Evans and a prominent loan man has negotiated loans in Brandon this year to the extent of \$250,000. Mr. Evans remarked, in discussing the loan situation with *The Monetary Times*, that he had been in business in Brandon for eighteen years and in all that time he had never had a mortgage sale proceeding.

The municipality has been conservatively taking care of all fixed charges and doing only necessary work. The city has invested \$400,000 of its sinking fund in the Dominion war loan.

The crops in the Brandon district were poor, but the farmers, on account of last year's large crop, were able to clear up much floating indebtedness, and the banks are assisting farmers with loans where assistance is needed. There is scarcely any demand for farm loans.

Logs scaled in British Columbia during September amounted to 105,795,387 feet. This is the fourth consecutive month when the amount has exceeded the one hundred million mark, and brings the total for the year to September 30 to 734,087,410 feet. This is an increase of 45,275,712 feet over the total for the whole of 1915, and with three months to go the production for 1916 should be close to the ten hundred million mark. The total for 1916 should also be close on to double the production of 1914, when the figure was 555,891,197 feet. As compared with the first nine months of 1915, production for the corresponding period in 1916 is 196,000,000 feet more.