

CHANGING THE BENEFICIARY.

(M. L. Hayward, B.C.L.)

When the assured under a life policy changes the payee, it often leads to a lawsuit between the new and the ex-beneficiary—as in the case of the State Mutual Life Company vs. Bissett, a recent decision of the Rhode Island Supreme Court.

In this case it appeared by the evidence that one William H. Crone, of Providence, R.I., in 1913 took out a \$10,000 term policy in the State Mutual payable to Cora I. Bissett, "intended wife," with a provision in the policy authorizing Crone to exchange it for an ordinary life policy and "to change and successively change" the beneficiary.

On April 22nd, 1916, Crone applied to the State Mutual to convert the term policy into an ordinary life policy, and to make it payable to his estate instead of to Cora I. Bissett, the former beneficiary—Miss Bissett gave up the former policy, and the new policy payable to Crone's estate with the same privilege of changing the beneficiary and dated March 22, 1916, was forwarded to the Providence agent of the State Mutual to be delivered to Crone.

Then on May 2, 1916, Crone called at the agent's office in Providence, signed and handed to the agent a blank form for the nomination of a beneficiary with the words, "C. S. Biss., Fian.," pencilled in the space left for the name of the beneficiary. Before 9 a.m. on the following day, May 3rd, the agent completed the form, and filled in on a typewriter in the space for the name of the beneficiary the words, "Fiancee, Cora I. Bissett."

About 9.30 on the same day Crone died, and in the afternoon the agent sent the nomination form signed by Crone with the policy to the head office of the State Mutual, where, in ignorance of Crone's death, the name of Cora I. Bissett as beneficiary was endorsed on the policy and dated May 2nd, 1916.

Then Miss Bissett and Crone's heirs both claimed the insurance money, and the question for the Court was whether the form signed and filled out as stated above was a sufficient change of the beneficiary.

The decision was in favor of Miss Bissett, and after pointing out that the Insurance Company had no choice in the matter of consenting to the change, the Court says:—

"Had they reached that office before his death the company was legally bound, under the contract, to file the same and indorse on the policy the change of beneficiaries as designated by him. It had no discretion to exercise in the premises. The company could not in the slightest degree question the revocation of the former beneficiary by the insured, nor the selection made by him of the substituted beneficiaries. By the terms of the policy the company had conferred on the insured an unconditional right to, at any time or place, revoke the appointment of the existing beneficiary and substitute another in her place.

"The receipt of the notice and policy by the company two days after insured's death, of which it had no knowledge, did not relieve it of the ministerial duty imposed by the terms of the contract of filing and indorsing the same. There is in this case no question of waiver involved, as the company had no discretion in the premises.

"But," the Court went on to say, "when the insured has not an unconditional right to change the beneficiary, and the approval or assent of the insurer is, by the terms of the contract, essential to such change, inasmuch as the giving of consent involves the exercise of judgment, it has been held that such consent is not a formal or ministerial act, and accordingly, although the insured may in such case do all required of him, but dies before the insurer's consent is given, it has been held that in such case the change of beneficiary is not effected."

MR. P. M. WICKHAM.

On the occasion of his retiring from the Presidency of the Canadian Fire Underwriters' Association, Mr. P. M. Wickham recently received a letter from the Superintendent of Insurance, Ottawa (Mr. G. D. Finlayson) in which the following interesting paragraph occurred:

"Your term of office has covered a period of greater uncertainty and has presented more difficult problems than probably any other similar term in the history of the Association. I suppose it is safe to say that at no time in the history of fire insurance in Canada has there been greater need for sound thinking and sound judgment than during the latter period of the war. I need not say that I have appreciated very much the un-failing courtesy which you have always extended to the Department on behalf of the Association, and I wish to add also my personal appreciation of the pleasant nature of our various interviews."

CANADIAN FIRE UNDERWRITERS' ASSOCIATION ANNUAL MEETING.

The annual meeting of the Canadian Fire Underwriters' Association was held on the 24th instant at the Hotel Champlain, Bluff Point, nearly all of the Companies (members of the Association) were represented.

The chair was occupied by the President, Mr. P. M. Wickham (Yorkshire). The chairman's address summarized the principal occurrences of the year affecting fire insurance, and referred in very complimentary terms to Judge Masten's report in connection with the Ontario insurance investigation. The business brought before the meeting was fully discussed.

The following officers have been elected for the ensuing year: President, Mr. John B. Laidlaw, (Norwich Union); 1st Vice-President, Mr. J. E. E. Dickson (Law Union); 2nd Vice-President, Mr. Lyman Root (Sun Insurance Office).