

UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1711

Canada Branch, Montreal:
T. L. MORRISEY, RESIDENT MANAGER.

North-West Branch, Winnipeg:
THOS. BRUCE, BRANCH MANAGER.

AGENCIES THROUGHOUT THE DOMINION

YOU LOOK FOR SECURITY

Whether with the intention of taking out insurance or associating yourself with some Company, you look for security.

The latest figures emphasize the unexcelled financial position of this Company.

Business in Force over - - - \$59,600,000
Assets over - - - - - 16,400,000
Net Surplus over - - - - - 2,600,000

These are reasons why the Company is known as
"SOLID AS THE CONTINENT"

NORTH AMERICAN LIFE ASSURANCE COMPANY

HEAD OFFICE - - - - - TORONTO, CAN.

Founded in 1803

THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

ASSETS EXCEED \$48,000,000.

OVER \$12,500,000 INVESTED IN CANADA.
FIRE & ACCIDENT RISKS ACCEPTED.

Canadian Head Office:

57 Beaver Hall Hill, MONTREAL

Agents wanted in unrepresented towns in Canada.
J. E. E. DICKSON, Canadian Manager.
W. D. AIKEN, Superintendent Accident Dept.

The London & Lancashire Life and General Assurance Association, Limited

Offers Liberal Contracts to Capable Field Men
GOOD OPPORTUNITY FOR MEN TO BUILD
UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES
FOR CITY OF MONTREAL

Chief Office for Canada:
164 ST. JAMES STREET, MONTREAL.

ALEX. BISSETT - - - Manager for Canada

WESTERN ASSURANCE COMPANY

INCORPORATED 1851

Fire, Explosion, Ocean Marine
and Inland Marine Insurance.

Assets Over - - - - - \$4,000,000.00

Losses paid since organiza-
tion, over - - - - - 63,000,000.00

HEAD OFFICE - - - - - TORONTO, ONT.

W. R. BROCK, W. B. MEIKLE,
President. Vice-Pres. & Gen. Mgr.

QUEBEC PROVINCE BRANCH:
61 ST. PETER STREET, MONTREAL
ROBERT BICKERDIKE, Manager

The Independent Order of Foresters

Policies issued by the Society are for the protection of your family and cannot be bought, pledged or sold. Benefits are payable to the beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies Issued From \$500 to \$5,000.
TOTAL BENEFITS PAID (Over) - - - - - \$53,000,000

FRED. J. DARCH, W. H. HUNTER,
Secretary. President.

S. H. PIPE, F.A.S., A.I.A.,
Actuary.

Head Office - - - - - TORONTO.

PREFERRED BENEFICIARIES LEGISLATION.

Legislation in connection with preferred beneficiaries, said Mr. C. C. Ferguson, manager and actuary of the Great-West Life Assurance Company at the insurance superintendent's conference at Winnipeg, now exists in all the provinces. The general principle involved is that when a policy is issued or is declared to be in favor of a preferred beneficiary, a trust is thereby created and the ownership or control of the policy no longer exists solely in the assured. In other words the beneficiary becomes part-owner of the policy. A similar situation results when a house or other property is registered jointly in two names. There is this difference, however, that a man usually knows what he is doing when he puts his property in his wife's name. But when he names his wife as beneficiary in his policy, he does not always know that he is creating an irrevocable trust in her favor. There is no great difficulty in this, since where man and wife are living amicably together, as they ought to do, they can jointly deal with the policy as freely as the assured could in the case of a policy issued in favor of his estate. But trouble sometimes arises where family feuds arise or where the beneficiary is an infant since under those circumstances it occasionally proves impossible to obtain a loan or cash surrender value and the assured of course blames the insurance company for this impasse on the ground that he should have been warned against having his policy issued in that, to him, absurd way.

In the United States they do not have this legislation in favor of preferred beneficiaries, but the assured is asked to elect in his application whether or not he shall have the right to change the beneficiary. If he does not reserve the right to change, a trust is practically created, but if he reserved the right to change, he, of course, may freely do so. A point comes up here which is worth mentioning. If the assured has reserved the right to change, it has been decided that his creditors may force him to change so that the policy in that event is not secured against creditors during the life-time of the assured. In Manitoba alone among the provinces the act gives the assured the right to revoke the appointment of even a preferred beneficiary, and while so far as I am aware there has been no legal decision on the subject it is possible that creditors may in Manitoba be competent to force a policyholder to reclaim his policy for the benefit of his estate, and if this is the case the purpose of the legislation would in large part rendered null.

The preferred beneficiary legislation is on the whole very desirable. It enables a man to make provision for his family which he knows will be theirs, no matter how involved his personal estate may be at his death and it protects his family against his own carelessness and possibly even his enmity in later life. A life insurance policy in favor of the wife would be an excellent adjunct to every marriage contract.

The legislation in the various provinces with respect to preferred beneficiaries is very similar in general principles, although there is a number of differences and inconsistencies which might well be eliminated.

In Nova Scotia, Ontario, Saskatchewan and Alberta the preferred beneficiaries are: Husband, wife, children, grandchildren and mother. In Quebec, the preferred beneficiaries are: Wife, children and step-children. In New Brunswick, the preferred beneficiaries are: Husband, wife, children, grandchildren, mother, father, brothers and sisters. In Manitoba, the preferred beneficiaries are: Husband, wife, children and step-children.

In British Columbia, the preferred beneficiaries were: Husband, wife and children. In Prince Edward Island the act originally included, husband, wife, children, grandchildren, mother, father, brothers and sisters, but the three last mentioned were cut out in an amendment to one section of the act, but unfortunately the amendment was not carried throughout the whole act, so that probably father, brothers and sisters should still be regarded as preferred beneficiaries in Prince Edward Island. This is a matter which might well receive the immediate attention of the legislature of the province.

RELATIVES IN PREFERRED CLASS.

So far as the life insurance companies are concerned it makes little difference to them how wide or narrow the preferred class may be, but it is perhaps unfair to creditors that father, brothers and sisters should be included as is the case in New Brunswick and Prince Edward Island. There should be no difficulty at a meeting of provincial superintendents of insurance of arriving at a unanimous agreement as to what relatives should be included in the preferred class. Not only would this remove a great

deal of inconvenience and possibility of a mistake, but it would also avoid a difficulty which is frequently experienced where a policyholder moves from one province to another and the question of what law governs comes up for consideration. The laws of Saskatchewan and Ontario are identical in phraseology with the exception of perhaps a word or two.

The act in Alberta is very similar in effect to the legislation of Saskatchewan and Ontario, but in it a certain independence in the matter of phraseology which while excellent with respect to literature generally is undesirable in matters of legislation.

Manitoba has a peculiar provision which seems to make it illegal for a man to insure his life in favor of a preferred beneficiary under an endowment policy for less than ten years or under a five-payment or single premium life policy. No doubt the intention was that the beneficiary under such a policy would not be regarded as preferred, but the wording has lamentably failed to express this idea. In Quebec, the situation is complicated by the fact that the intricacies of the civil law have to be taken into consideration. The preferred class of beneficiaries is protected as in Ontario and changes may be made subject to practically the same restrictions. But in the case of ordinary beneficiaries, an acceptance of the benefit by the beneficiary removes the policy from the exclusive control of the assured. The difficulty is that "acceptance" may be consummated in various ways and without necessarily coming to the attention of the company. The utmost care has thus to be exercised in recording any change of the ordinary beneficiary. In British Columbia, one section of the act stipulates that a policy may only be made payable to a trustee with his assent, while another section dispenses with this restriction. The restriction is unnecessary.

Mr. Ferguson said in conclusion that he thought uniformity with regard to the legislation referred to could best be secured by having the subject dealt with in the Dominion Insurance Act. "That act," he said, "does not now deal with beneficiaries, and under the British North America Act cannot deal with them. If the latter act were passed now, undoubtedly insurance, like banking, would be relegated to the exclusive jurisdiction of the Dominion. However, there is no use in discussing this point, as an amendment to the constitution of Canada could not be expected in the immediate future and the best omen of uniformity is the fact that the provincial superintendents are able to meet in conference as they are doing. These gentlemen will largely control the form of the insurance laws in their respective provinces and it will be extremely easy for them to co-ordinate their efforts with the work of the commissioners proposed by the Dominion Bar Association." Mr. Ferguson was delighted to observe that uniformity was the keynote of the convention from beginning to end, and congratulated the superintendents on their coming together and wished them every success in their laudable undertakings.

FIRE LOSSES.

The losses by fire in the United States and Canada during the month of November, as compiled from the records of the New York Journal of Commerce, reached a total of \$20,108,025, as compared with \$19,898,450 in November last year, and \$21,204,850 for the same month in 1915. The fire losses for the eleven months of 1917 aggregate \$241,200,340, or over thirty millions more than for the same months last year. The fires during the month of November this year were widely scattered throughout the country, but again as in the previous month plants occupied with war contracts contributed considerably to the total.

The following table gives a comparison of the losses by months for the first eleven months of this year with those of 1916 and 1915, together with the losses for the entire years 1916 and 1915:

	1915.	1916.	1917.
January	\$20,060,600	\$21,423,350	\$36,431,770
February	13,081,250	24,770,770	29,587,660
March	18,786,400	38,680,250	17,523,000
April	18,180,350	12,681,050	18,597,225
May	11,388,450	15,973,500	24,968,800
June	10,893,950	12,247,500	15,513,270
July	9,006,800	23,018,800	16,143,050
August	10,037,100	10,745,000	21,751,100
September	14,823,500	12,244,625	14,101,990
October	14,465,850	17,701,375	26,384,450
November	21,204,850	19,898,450	20,198,025
Total 11 mos.	\$161,959,100	\$209,379,670	\$241,200,340
December	20,877,100	22,063,327
Total for year	\$182,836,200	\$231,442,997