

BIG INCREASE IN BUSINESS

Guarantee Fund Life Makes Strides During Year of 1912.

MEMBERSHIP GROWTH IS RAPID

Eleven-Year-Old Company Issues Policies Providing Death, Disability and Old Age Benefits at Low Cost.

The year 1912 was the most prosperous thus far experienced by the Guarantee Fund Life of Omaha, new business to the amount of \$3,500,000 being received from the previous status in which the association operated, while \$18,000,000 of new insurance was issued, as compared with \$2,000,000 of issued business in the year 1911.

The association was organized by J. C. Buffington in the fall of 1901, and began business January 1, 1902. Since its organization the growth in membership, while slow during the first few years, and later a little faster, has always been steady.

The policies issued provide death, disability and old age benefits and are incontestable except for nonpayment of the premiums, two years after date of issue. The membership is confined to men only, between the ages of 21 and 55 years, who may be written for from \$2,000 to \$10,000 insurance. Everyone is required upon entrance to deposit in reserve fund a sum equal to 11% for each year of his age, for each \$2,000 of insurance applied for. The deposits may be made either in cash, or note payable in 10 per cent quarterly installments. All notes taken for the reserve fund deposit require payment, even in case of lapse. To this fact, as well as to the vigorous method used in handling such matters, may be attributed the comparatively small number of lapses.

The record April 1 shows total losses paid since organization of \$28,374.48, while the reserve and reserve mortality collections on that date, all of which may be used only for payment of losses, amounted to \$1,066,922.32. When the age of the association and the volume of business are considered, it is doubtful whether this record has been surpassed. During the year ending April 1 the assets increased \$28,314.48, including an increase of more than \$25,000,000 in the reserve fund.

While the cost to the members has been low, averaging \$5.75 per \$1,000 annually, the association does not advertise any other rate than the maximum, which is based upon an annual mortality of 1 per cent of those insured, and to sustain which rate the articles of incorporation pledge the entire assets of the association.

The officers of the association are J. C. Buffington, president; Fred Whittemore, vice president; Edward M. Martin, vice president; J. W. Hughes, assistant secretary and treasurer. Dr. A. C. Stokes, medical director.

Half of the Fires Set in Chicago Work of Firebugs

The special grand jury investigating the operations of the "arson trust" in Chicago, in a report filed last Saturday, declares that 50 per cent of the fires in Chicago are of incendiary origin. Fifty-nine indictments were returned against alleged Chicago firebugs.

Points prominently set forth as the conclusions of the jury were as follows:

Arson as a profession has become firmly established in Cook county.

Fifty per cent of the fires are of incendiary origin.

Only within the last few years has the business of arson developed with system and profit; also, the business has been conducted for ten years.

Public insurance adjusters are guilty of planning fires and protecting "firebugs" in case of criminal prosecution.

Arson as a profitable business is made possible by defects in the conduct of the insurance business.

Scandalous rotten risks are accepted by insurance companies in order that they may get the preferred business of the adjusters in question.

Radical improvements in the methods of the insurance companies are necessary if arson is to be stamped out.

Insurance companies should exercise the greatest care in accepting risks.

Insurance companies should boldly fight all claims for insurance where incendiary origin is suspected.

In speaking of attitude of the insurance companies in the matter of suspicious risks the report says:

"It is recommended by the grand jury that the insurance companies adopt a strong, vigorous policy of boldly fighting every loss that they are convinced is crooked."

"Present weak practice of compromising such losses should be immediately abandoned, and notice should be served on public adjusters and dishonest people assured that under no circumstances will a crooked loss be voluntarily paid. This policy should be firmly and persistently pursued, even though it may involve the expense of many lawsuits."

"In other words, let it be thoroughly understood that insurance companies have overcome their dread and fear of litigation and have regained sufficient courage to invite a lawsuit, rather than voluntarily pay a crooked loss. Such a bold, determined stand will, in the opinion of the grand jury, materially assist in discouraging dishonest claims. Furthermore, the grand jury would recommend that the insurance companies use all the means at their command to obtain incriminating evidence of crooked losses, and present this evidence to the state's attorney of Cook county."

Why Memos Are Tame.

Prof. Barrett Wendell, at a Harvard tea, was asked why books of recollections were always so tame. Prof. Wendell answered:

"Let me tell you a story. A great man once said to a friend: 'I think I'll write my recollections.'"

"Very good," said the friend; "but let me caution you not to recollect anything about celebrities that are living."

"Oh," said the great man, "living celebrities are just the ones I want to write about. They're the ones that will make my book sell."

"Very well," said the other; "but remember my warning."

"Why, what's the danger, any way?"

"The danger," replied the other, "is that as soon as you begin to recollect things about living celebrities they will begin to recollect things about you."

Cross Purposes.

"Another handout, you believe in the economy of prayer, don't you?"

"Yes, I do."

"Well, some of us have been praying that we may be able to raise money enough to build a new meeting house. How are you doing?"

"Yes, and some of us have been praying that we may be able to make use of the new meeting house next year, as that's the program, another handout, that's all. It's an advertisement."—Chicago Tribune.

Menace of the Parlor Match

One Feature of Modern Progress that Has Brought With It Penalty in the Form of Fires that Care May Prevent

BY MERRICK E. LEASE, Assistant Manager Columbia Fire Underwriters' Association.

Good work is being done by our state fire commissioner and his deputies along the line of educating the masses in regard to fire hazards.

The State Fire Prevention association is also assisting in the good work, making inspections, pointing out to the merchant and building owner defects in construction or dangerous condition surrounding buildings and contents. As a rule the insuring public meets these conditions and remedies the defects not only because they are requested to do so, but for the reason that they do not want any carelessness of their employes or themselves to cause them to jeopardize their income as well as that of their neighbors.

Among the many causes of fire none is more common or more dangerous than the storage and sale of gasoline. So much has been written and said about this hazard it is superfluous to warn insurers as regards same. They know all about it.

There is one dangerous article used in every town, city and hamlet, every office building in our cities, and every dwelling in our villages, which is one of the most common and most overlooked hazards existing. I refer to the festive parlor match. The match is the cause of so many fires that the sale should be regulated by law. The 30,000,000 people in the United States are said to use more matches than the 900,000,000 people in the rest of the more or less civilized world. Of 1,275 known causes of fire in Chicago, in 1911, 1,095 were due to the careless use of matches. Nearly 10,000 matches are scratched every second of the day in this country, every one a possible fire. The report of the fire marshal of Nebraska for 1910 shows that of 231 known causes of fire in that state, 109 were due to matches, of which fifty-five were caused by children playing with matches, many of them resulting in serious injury and even death. An ordinance should be passed making it unlawful to manufacture, store or have for sale the white phosphorous, single-dipped, "strike anywhere" matches, popularly known as "parlor" matches, or any other type of double-dipped, "strike anywhere" matches, unless the bulb or first dip is composed of the so-called safety or inert composition, non-ignitable on an abrasive surface. The so-called "wet" matches would also be under the ban. Of the safety match it will be necessary to stand a test of at least eight hours in an oven at 200 degrees Fahrenheit when packed in a carton of 500. The ordinance should provide for the manner in which matches may be stored in warehouses and retail stores, and also limit the number of matches in a box and specify method of packing. It is estimated that the "parlor" match causes a loss every year in the United States of more than \$2,000,000



and more than 500 lives. Our grandfathers had no matches, they used flint and kept their fires from day to day. Our grandfathers had for matches pine blocks an inch square which they split apart way down as a splinter could be pulled off. The free end of the splinters had been dipped in a mixture with sulphur in it. These matches when struck gave the choking fumes of sulphur and were called "sulfur" while our present match is called the "parlor" match because it was fit for use when there was company. When scratched, the head often exploded or the stick breaks and flaming pieces fly, often dropping on waste paper, sweepings or clothing. The smoker so often gives the match a toss without seeing if it is still glowing, and a large number of these match fires result from one of these hot sticks being thrown upon something easily lighted. Many fires are caused by absolute carelessness, and more start in the cellar than in any other part of the houses. But never a week passes that some house is not burned by reason of a match being used for a moment to light a closet. The head of the match contains phosphorous, chlorate of potash, resin, whiting and powdered flint, held together by glue. It takes but little heat to start a fire in phosphorous. The heat caused by rubbing the particles of flint in the head when it is struck fires the phosphorous. The chlorate lets go of the

oxygen in it with explosive sputtering and great heat. This fire the resin in the head, and they, together, fire the paraffin with which the stick has been soaked. Then the stick itself begins to burn. If either antipeter or sulphur is used in place of the chlorate of potash a great deal from Germany, France and Sweden along the lines of fire prevention. Not wishing to change the subject, but the late tornado demonstrated the fact that the humble farmer certainly "put one over" the city man. He may not be up to city ways in many things, but the experience of the Columbia fire underwriters shows that 90 per cent of the farmers along the path of the tornado were protected by tornado insurance, while our city man, thinking Omaha immune, feeling himself secure from cyclone because there had been none here for fifty years, went without insurance to a great extent, much to his sorrow. Moral: Insure against cyclone. It is a hazard you cannot inspect or prevent. No one knows where it will strike but the Almighty, and He won't tell, so why take a chance.

ACTIVE AGENT FOR GLOBE INDEMNITY COMPANY.



HARRY L. MALLO.

Harry L. Mallo as an executive special agent of the Bankers' Surety company of Cleveland, O., traveled in every state in the Union for that company, appointing agents, adjusting losses, auditing county treasurers, and other bond counts, and in that way secured the kind of an education that has enabled him to build up a large general agency in Nebraska. He came to Nebraska in February, 1908, locating in Omaha, as general agent for the Bankers' Surety company, after building up a nice business for that company, who sold out to the Maryland Casualty company of Baltimore, he accepted the general agency for the state of Nebraska for the Maryland Casualty company. In March, 1912, he was offered the general agency for the entire state of Nebraska and western Iowa for all lines of the Globe Indemnity company of New York, and he accepted that agency. The Globe Indemnity company is owned and controlled by the Liverpool and London and Globe Insurance company of Liverpool, one of the strongest and oldest fire insurance companies in the world. They have something like 300 agents in the state of Nebraska, most of whom have taken the agency of the Globe Indemnity company, because their experience with the Liverpool and London and Globe Insurance company have been very satisfactory, and they were convinced that the Globe Indemnity company would be the most progressive casualty company to represent. Associated with Mr. Mallo are John G. Lund and L. M. Hankinson.

ONE OF THE DEPENDABLE FIRE UNDERWRITERS.



A. C. KENNEDY.

INSURANCE NOTES.

C. M. Christensen of Wayne, Neb., district manager for the Northwestern Mutual Life, is in a hospital at Sioux City for an operation. During his illness, his business is being looked after by J. L. Wright, the Nebraska field agent of the company.

Fearful of their responsibility for the safety of the Morgan art collections in New York City, executors of the Morgan estate are taking out insurance totaling \$24,000,000. Of this, \$24,000,000 is on the Morgan collections in the Metropolitan Museum, and \$10,000,000 for the Morgan art gallery collection. The Chicago Board of Underwriters

has adopted the contribution clause applying to tornado insurance as to prevent the underinsurance which has been prevalent on this class. The clause is the same as in the fire insurance policies, but with a minimum of 50 per cent instead of 80 per cent. A credit of 10 per cent is allowed for 80 per cent co-insurance, with an additional credit of 5 per cent for each additional 10 per cent of co-insurance up to 90 per cent. Dwellings are excepted as in the fire clause.

London Lloyds underwriters have suffered a heavy loss on their surety risks in addition to the recent fire and marine losses. This arises from the defalcation of Assistant Cashier Baker of the Crocker National Bank of San Francisco. It is stated that the shortage amounts to over \$200,000 and that Mr. Baker has confessed. The Crocker National Bank held a blanket Lloyds fidelity bond covering to the amount of \$25,000 the acts of any one of all of some 110 officers and employees of the bank.

TORNADO INSURANCE

CERTIFICATE OF PUBLICATION, STATE OF NEBRASKA, OFFICE OF PUBLIC ACCOUNTS, Lincoln, Feb. 1st, 1913.

IT IS HEREBY CERTIFIED, That the Pireman's Fund Insurance Co., of San Francisco, in the State of California, has complied with the Insurance Law of this State, applicable to such Companies, and is therefore authorized to continue the business of Fire and Tornado Insurance in this State for the current year ending January 31st, 1914.

WITNESS my hand and the seal of the Auditor of Public Accounts, the day and year first above written.

W. B. HOWARD, Auditor of Public Accounts, L. G. BRIAN, Deputy.

Isaac A. Coles Agent

214 BRANDEIS THEATER BLDG.

Great Western Policies Pay

IT PAYS TO PAY The small premium to the Great Western Accident Association and if you are disabled, they will pay you.

IT PAYS The Great Western Accident Association to pay claims promptly and satisfactory so claimants will continue membership and help boost for new members that will pay them.

PHONE US (Douglas 3316) And we will send you full particulars.

WE WRITE A Workmen's Compensation Policy that covers employes for injuries which occur while at work or elsewhere.

AGENTS WANTED H. O. WILHELM, Manager 510-512-514-516 BRANDEIS THEATER BLDG.

NEW MAXIMS OF NAPOLEON

"In Time of War Men Are Nothing - It is One Man Who is Everything."

Great interest has been aroused among military students and historians in France through the publication of Colonel Ernest Picard of a selection from hitherto unknown military maxims and precepts dictated by Napoleon during his imprisonment at St. Helena.

The emperor attached great weight to fact and skill in the treatment of soldiers.

"When I used to say," he wrote, "as I rode through the lines in the heat of battle, 'Unfurl your flags, the moment has come,' the French soldier simply shook with eagerness."

"At such a moment nothing seemed impossible to me. The Thirty-second Demibrigade would have done to a man for me, because after Lonato I wrote, 'The Thirty-second was there, and I was at ease.' The power of words on men is

astonishing. The following is Napoleon's of a general.

"In time of war men are nothing. It is one man who is everything. A great general is not an ordinary man. Military genius is a gift from heaven, but the most essential quality for a commander-in-chief is firmness of character and the resolution to win at all costs."

Next to the qualities of the commander, whose surest way of winning was, he thought, "to exaggerate one's own forces and minimize those of the enemy." Napoleon considered a strong artillery the prime factor in success.

"If I had 20,000 more rounds on the evening of the eighteenth at Lelipia, I should today be master of the world."

To express his opinion on the value of experience over theory, he said it was "worth a hundred volumes of Cleero and Demosthenes." In speaking of a national army of which he was, of course, strongly in favor, Napoleon insisted that "all Frenchmen should consider the law of conscription necessary and sacred, if they do not wish to see their homes devastated."—New York Times.

BUILDING NEWS NOTES.

Sherman & McConnell are selling large quantities of paint this spring. They handle the famous Sherwin-Williams paints, the demand for which is large.

The Scott-Rawitter company have patented a new ventilated rolling awning, the demand for which is great. The first of this new type of awnings is being placed on the State Bank building, Seventeenth and Harney streets. It is made of the finest materials and is considered among the best of awnings.

Progress which the Gate City Tent and Awning company is making under its new management is exceedingly gratifying to the young men who are at its head. They are W. H. Laubach and H. Bowers, two progressive fellows, who have modern ideas, and who carry them forward in a modern way. Mr. Laubach is a University of Nebraska graduate. The awning and tent business which they have created is very large.

The Commonwealth Life INSURANCE COMPANY

Omaha, Nebraska SHERMAN SAUNDERS, President

The company in which you can create an estate at the minimum cost, progressive in its policy, economical in its management, energetic and pushing for business. Large capital and surplus to policyholders, which affords the best of security. Contracts as liberal as safe underwriting will allow, embracing such up-to-date provisions as Disability Benefit, etc. Men whose reputations square with the rule of honesty are wanted as agents for this company. Contracts made direct with the Home Office. Young men, whether you have sold life insurance or not is immaterial, we can teach you how to make a greater success in the business. We bring trained men to the assistance of the inexperienced, thus assuring success from the start. Write for agency, or better still, come into the office and talk it over with us.

FRANK NELSON, Secretary C. H. CLANCY, Supt. of Agts.

THE LEADER IN TORNADO INSURANCE THE COLUMBIA FIRE UNDERWRITERS OMAHA, NEB.

THE NATIONAL FIRE INSURANCE CO. OF HARTFORD, CONN. CASH CAPITAL, \$2,000,000 JANUARY 1, 1913

Table with Assets and Liabilities. Assets: \$14,982,672.91. Liabilities: Reserve for Reinsurance, Unpaid Losses, Taxes and Other Liabilities: \$9,085,468.17. NET SURPLUS over Capital and other Liabilities: 3,897,204.74. SURPLUS TO POLICY HOLDERS: \$5,897,204.74

THIS COMPANY HAS A NOTABLE RECORD OF NEARLY HALF A CENTURY OF HONORABLE DEALING WITH THE INSURING PUBLIC. Liberal Policies, Prompt Settlement of Losses, Cash Payment Without Discount. A SHARE OF YOUR PATRONAGE SOLICITED. A Resident Adjuster Insures Prompt Attention to Your Loss. Insist on the best - THE COLUMBIA - IT COSTS NO MORE. Home Office: Entire Third Floor Merchants National Bank Building. Douglas 451. C. O. TALMAGE, Manager. M. E. LEASE, Ass't Manager. E. G. BOHANAN, General Agent.

Wheeler & Welpton Co., (Inc.)

Phone Doug. 186 2d Floor Arlington Block 1511 Dodge St.

CERTIFICATE FOR PUBLICATION, STATE OF NEBRASKA, OFFICE OF AUDITOR OF PUBLIC ACCOUNTS, Lincoln, Feb. 1st, 1913.

IT IS HEREBY CERTIFIED, That the Mannheim Insurance Co. of Mannheim, in Germany, has complied with the Insurance Law of this State, applicable to such Companies, and is therefore authorized to continue the business of Fire and Marine Insurance in this State for the current year ending January 31st, 1914.

WITNESS my hand and the seal of the Auditor of Public Accounts, the day and year first above written.

W. B. HOWARD, Auditor of Public Accounts, L. G. BRIAN, Deputy.