

## CENTURIES OF ROUGH NOTES

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## BUSINESS GETTING IDEAS

*The man who is clean inside and outside, who neither looks up to the rich nor down on the poor, who can lose without squealing and win without bragging, who is considerate of women, children and old people, who is too brave to lie, too generous to cheat and too sensible to loaf, who takes his share of the world's goods and lets others have theirs—  
He is a true gentleman.  
—Co-Operation.*

### WEAKNESSES OF ILLINOIS RECIPROCAL ACT

THE recently enacted act governing reciprocals in Illinois, known as House Bill No. 424, is declared by Howe Landers of the Foster & Merrick general agency at Indianapolis to have a number of serious weaknesses which Mr. Landers has analyzed as follows:

1. Does not require the office from which the business will be conducted to

be located within the State of Illinois.

2. Does not require a single book record on file of the exchange to be kept in Illinois.

3. The location of the office is left wholly to the subscriber and may be placed in Hong Kong, China, if they desire. (See Section 2.)

4. A certificate of authority to transact business may be obtained by subscribers, all of whom are non-residents of Illinois. (See Section 13.)

5. Such certificates may be issued by the Director of Trade without knowing the identity, the address or financial standing of a single subscriber. (See Sections 3, 4, 5, 6, 10 and 13.)

6. Workmen's Compensation Insurance and Liability may be added to, combined and mixed up with public liability, all kinds of automobile liability and all fire, lightning, hail, etc., liability if an exchange decides to write all forms. (See Section 8.)

7. Not a single dollar is required to be kept or maintained in the State of Illinois, even the reserves mentioned for exchange having their principal office in Illinois could be maintained outside of the state.

8. Service of process upon individual subscribers of the Association is expressly prohibited. (See Section 11.)

9. The concealment of their identity is expressly provided for. (See Section 13.)

10. The Act inconsistently says that Service of Process upon the Director of

Trade shall be binding upon the subscriber whose identity is concealed. (See Section 14.) (For concealed identity see Section 10.)

11. If Attorney-in-fact is a non-resident of the State of Illinois, there is no method provided for serving process upon him, as the matter of service of process set forth in Section 14 is exclusive; all other methods being declared by the act itself to be illegal.

12. No provision is made whereby individual subscribers may be made parties to suits growing out of their contract of insurance or judgments rendered against them or their property levied upon to satisfy their liability growing out of such contracts; in fact, such a procedure is expressly prohibited by denying service upon the individual subscriber. (See Sections 10 and 14.)

13. The powers of attorney is not subject to the approval of the Director of Trade or any other state authority. Any power of attorney that is filed the Director would have to approve.

14. No bond of any kind is required of the attorney-in-fact for the protection of the subscriber.

15. No limits are placed upon the charges of the attorney-in-fact. He can make it anything. There is no provision that his charges must be uniform; in other words, he could charge one subscriber 10 percent and another 10 percent, depending upon what was necessary to get the business.



*A freaky accident may afford some amusement to unconcerned passers-by, but for the owner it is no joke. The only way for him to get his smile back is through a compensating check from some insurance officer.*