

# This Is The Law

By ROBERT E. LEE

(Sponsored by the Lawyers of North Carolina)

### Constructive Trusts

Jones takes out an insurance policy for \$10,000 on his own life, payable on death to his daughter. He dies shortly thereafter from a heart attack.

Smith can prove that \$150 of the premiums were wrongfully paid with funds that Jones was holding in trust for Smith, and that the remaining \$50 in premiums were paid by Jones with his own money.

How much, if any, of the \$10,000 proceeds may Smith get?

Under the decisions of most states, Smith would be entitled to \$7,500 of the proceeds of the policy.

Smith would be able to enforce a "constructive trust" upon a proportionate part of the proceeds, in such proportion as the amount of his

funds so used have to the total amount of the premiums paid—which, in this case, was three-fourths.

Smith is entitled at his option to an "equitable lien" of \$150 upon the proceeds of the policy. It is, of course, more advantageous for Smith to assert a "constructive trust."

A minority group of states, in a situation such as this, will limit Smith to an "equitable lien" for the amount of his money which was wrongfully used in paying the premiums. No North Carolina cases have been found holding either way.

Adams owns a home. He takes out a fire insurance policy for \$30,000 on his home, payable to himself. The premiums for the year cost \$200. During the year, the house was completely destroyed by fire.

Goldfish can prove that all of the \$200 in premiums were

wrongfully paid from funds Adams was holding in trust for him. How much, if any, of the \$30,000 to be paid by the insurance company can Goldfish get?

In most states Goldfish would be able to recover only \$200. He is entitled to only an "equitable lien" upon the proceeds for the amount of the premiums paid with his money, since they are in no true sense the product solely of his money.

A fire insurance policy, unlike a life insurance policy, is a contract of indemnity against loss.



Capybaras, the world's largest living rodents, sometimes weigh as much as 150 pounds.

## McGovern Group To Meet Again

McGovern supporters will meet for the second time at the Chowan County Courthouse on Monday. At the last meeting it was decided to combine the campaign for Chowan and Perquimans counties. A campaign coordinator and team leaders for voter registration, publicity and finance will be elected at this meeting.

George Jackson, First Congressional District coordinator for the North Carolina McGovern campaign, will again be present to help organize the various phases of the local campaign. All interested persons interested in supporting the national Democratic ticket are encouraged to attend.

Every person should be willing to listen to others—at least as much as he talks.

FOR QUICK RESULTS TRY A HERALD CLASSIFIED

## Accent On Agriculture

By B. C. MANGUM  
N. C. Farm Bureau Federation  
Convenience Foods

Today's American life style encourages us to eat more but lighter meals and to take less time to prepare them. Food processors are getting on the bandwagon and have come up with a wide variety of frozen foods, often in heatable bags, full-meals, snacks, pop-ups (conserver foods) and individually packaged servings to fill the new needs.

These new built-in convenience foods cost the consumer more but most Americans seem to be willing to pay for them.

The housewife who buys these items is not spending all her money for the food—in cases not even half. What she's buying is a "built-in maid service," as one food economist writer describes it. Those frozen, ready-cut French fries or packaged mashed potatoes save her the

time and trouble of peeling and cutting up real spuds, but she pays a premium for the convenience.

The higher price tag on the new processed items is the result of additional research, development and packaging and little, if any, of it is received by the producer of the raw product, the farmer.

Other innovations in the food industry include new diet foods, health foods, ethnic foods and imitations.

## Topics Are Given At Providence

Dr. William C. Butts reports that the subject of his sermon this Sunday morning at Providence Baptist Church will be "The Great Invitation." A musical program is planned for 7 P. M. This program is being sponsored by the Senior Choir.

### SPORTSWEAR '72

Sportswear '72 for women finds trousers and jackets in the spotlight. Pants will have the Oxford cut, featuring front pleat. Some trouser legs will be straight with a roll-up cuff, adds Dorothy Barrier, extension clothing specialist, N. C. State University.

### FALL FABRICS

In fall fabrics for women's fashions, small geometrics are found in printed acrylics, paisleys and designs of bees, animals and food. New florals or dark backgrounds lend themselves to the tapestry effect, observes Dorothy Barrier, extension clothing specialist, N. C. State University.

## Third Annual Albemarle Antique Show and Sale SEPTEMBER 22, 23, 24

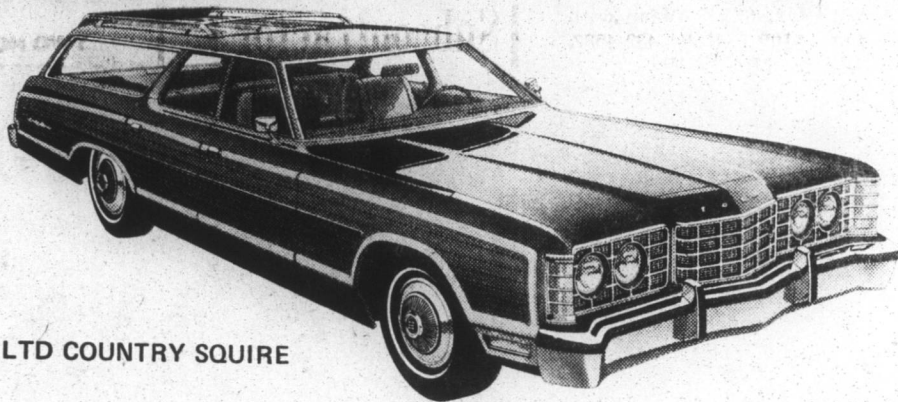
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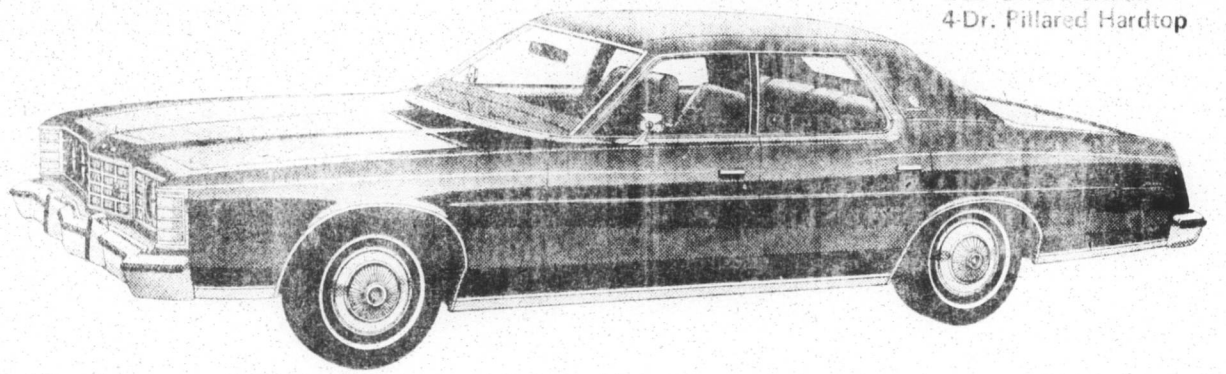
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