

## My Cigar is on Fire!

A man from Charlotte, North Carolina orders a case of very expensive cigars. The company send him an invoice but he does not pay it. Instead he insures them against – fire!

Over the next month he smokes all the cigars. Letters arrive from the company asking for payment. The man ignores them.

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The insurance company instruct their lawyers to write the man a warning letter. "Unless you pay for the cigars in 14 days, we will take legal action."

Still the man does not pay.

The man then sends a claim to the insurance company, "I have lost some very expensive cigars," he writes in his claim, "in a series of small fires."

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The man takes the insurance company to court.

"This claim may seem frivolous," his lawyer says.

In law a frivolous case means it is not serious.

"But my client is a simple man," say the lawyer. "And nothing in the insurance policy explains the exact meaning of the word "fire"."

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Amazingly the man from Charlotte wins the case.

The insurance company pays the man \$15,000 for the cigars lost "in the fires".

The man from Charolotte laughs as he leaves court. "I'll buy some more cigars with this money," he says.

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The man goes to his bank to cash the cheque. But the police are waiting for him.

"You're under arrest," they tell him.

"What for?"

"Arson and fraud," say the police. "We charge you with setting fire to 24 cigars.

The man returns to court. The evidence against him is his insurance claim and his testimony from the previous case.

"It's a criminal offence to intentionally destroy insured property," the judge informs the man from Charlotte. He then sentences him one month in prison for each cigar – 24 in total.

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### Quick Check: True or False?

1. A man buys a box of cigars.
2. He smokes one cigar a month
3. The insurance company want the smoked cigars back.
4. Frivolous means serious.
5. The man cannot spend the insurance money.
6. The man is arrested and sent to prison.

*Do you think this story is true? Why? Why not?*

[Answers](#)