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**National Association of Credit Men**

**Report of Special Committee on Settlements Made by Fire Insurance  
Companies in Connection with the San Francisco Disaster**

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**National Association of Credit Men**

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**Report of Special Committee on Settlements Made by Fire Insurance  
Companies in Connection with the San Francisco Disaster.**

*To the Officers and Members of the National Association of Credit Men:*

GENTLEMEN: At the last annual convention of the National Association of Credit Men, held in Baltimore, Maryland, the following resolutions were passed:

WHEREAS, The disaster that has recently occurred in San Francisco presents for the consideration of the insurance men problems which they have never had to deal with before; and

WHEREAS, It is reported that the ablest insurance adjusters in the United States will be called to San Francisco to adjust the insurance losses suffered by the people there; and

WHEREAS, It is for the interest of the business community of the United States that it be kept informed of the proceedings taken by the adjusters of the various companies in adjusting those losses;

RESOLVED, That this Association appoint a committee of five, whose duty is shall be to inform itself of the adjustments made by the various insurance companies carrying policies in San Francisco, to the end that this Association may be fully informed as to the insurance companies which deal justly and liberally with the people of San Francisco in the adjustment of their losses.

RESOLVED, That said Committee, after such adjustments have been made, report its findings to this Association and that a copy of such findings be sent to every Association of Credit Men in the United States, that due credit may be given to those companies to which credit is due for just and prompt adjustments.

In accordance with the foregoing resolutions the President of the Association appointed the following Committee to carry out their provisions: G. Witherspoon, chairman, President of Los Angeles Credit Men's Association; Gustav Brenner, President of San Francisco Credit Men's Association; A. H. Devers, President of Portland Association of Credit Men; George F. Telfer, President of Seattle Credit Men's Association, and Arthur Parsons, President of Utah Association of Credit Men.

The Committee called to its aid Mr. W. T. Craig, Attorney for the Los Angeles Credit Men's Association, which association offered the resolutions passed by the National Association. Mr. Craig spent some time in San Francisco investigating insurance conditions, and his assistance was of greatest value to the Committee.

The Committee in conjunction with Mr. Craig has kept in constant touch with insurance adjustments since the great fire in San Francisco, has made investigations on independent lines concerning the attitudes and claims of the various insurance companies, has examined the reports made by the Chamber of Commerce of San Francisco, the Insurance Commissioner of California, the various insurance reporting bureaus, and the insurance companies themselves. Special use has been made of the report compiled by Professor. A. W. Whitney, of the University of California for the Chamber of Commerce of San Francisco, covering

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his conclusions reached after an examination of about ten thousand loss adjustments, and special use has also been made of Alfred M. Best Company's elaborate "Special Report Upon the San Francisco Losses and Settlements."

Your Committee has purposely delayed the filing of this report, deeming it wise to wait until the mode of action of the various insurance companies could be fully determined and until the Committee was able to treat the whole subject with some perspective, in order that no injustice might be done, or wrong conclusion reached.

The conflagration that destroyed a large portion of San Francisco, followed a severe earthquake, which occurred at 5:13 o'clock on the morning of April 18, 1906. The fire continued for three days. An area of about 4.7 square miles, or about three thousand acres, covering 520 city blocks, was completely devastated. Upon this had stood about 25,000 buildings. Of these about 12,500 were occupied as dwellings, and about 12,500 were used for business purposes. The loss entailed by the fire directly and indirectly has been estimated at from \$50,000,000 to \$1,000,000,000. Of the property destroyed, about \$350,000,000 in value carried insurance to the amount of about \$225,000,000. This insurance was written in no less than 100,000 separate bodies.

The magnitude of the conflagration dealt a stunning blow to both insured and insurers. Conditions arose which had never existed before in the history of fire insurance, and these conditions called for the exercise of faculties on the part of the insured and insurers that were extraordinary. These were a few of the perplexing problems that confronted the insured and insurers. In many instances the policies of insurance were burned; many, of the insured did not know the names of the companies in which they carried their insurance; no forms for proofs of loss were obtainable; great numbers of the insured were ignorant of the necessity for and contents of a proof of loss; in most cases the books and records necessary to prove the loss had been destroyed with all the rest of the insured property; in many cases the records of the insurance companies were totally destroyed; many of the insurance representatives did not themselves know whether their companies were solvent or insolvent, or whether the companies were to pay losses caused by dynamiting, or what the exact extent of the earthquake loss was. To these problems is to be added one that made the task of the insuring companies especially perplexing, for, many of the reinsuring companies served notice that they would not pay the companies reinsured beyond their strict legal liability.

It is needless to detail all the steps by which order was brought from chaos in insurance matters. An attempt was made to organize an adjusting bureau composed of all companies. In a very short time the people of San Francisco began to discover the difference between companies in the methods of adjustments, disposition to adjust and results of adjustments. Indignation and protest arose, and policyholders' leagues and other associations were formed to protect policyholders from unjust settlements. Associations of merchants adopted resolutions condemning the

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practices of some companies. The resolutions of the National Association of Credit Men, cited above, were given the greatest publicity, and, while violent resistance was used by a few insurance companies against these demonstrations, it is certain beyond all doubt that they resulted in greatly helping the people of San Francisco to obtain better adjustments.

However, while recognizing the results of these efforts, we are bound to emphasize the fact that the people of San Francisco received their greatest aid in obtaining honest and liberal adjustments, from honorable and fearless insurance companies which refused to be parties to agreements for arbitrary deductions, and which paid their losses amounting to millions of dollars in a spirit of liberality and honesty.

The purpose of this report is to give commendation to those insurance companies which did their duty in the face of staggering financial losses, thereby compelling companies which were inclined to resort to dishonest and tricky means of adjustments, to change their methods that they might save themselves from the condemnation sure to follow.

In judging the actions of some companies in adjusting their losses, consideration should be given to the fact that careful experts have estimated the earthquake damage in San Francisco as not exceeding three per cent. of the total damage. Further the fact should be considered that while the people of San Francisco did not object to a small discount for immediate cash payment, in many cases the companies themselves caused great delay in making the adjustments and then demanded deductions, proper only in the case of immediate payments. It should be noted again, that deductions made by the companies were not from the face of the policy, but were from the adjusted loss. Small deductions for cash were considered justified, as in many instances this meant to the insurance company a sacrifice of its assets in order to procure the ready money. The following six companies paid their losses promptly upon adjustment without asking cash discount: Aetna Insurance Company, Hartford, Conn.; California Insurance Company, San Francisco, Cal.; Continental Insurance Company, New York, N. Y.; Liverpool & London & Globe Insurance Company, Liverpool, Eng.; Queen Insurance Company of America, New York, N. Y., and Royal Insurance Company, Liverpool, England.

We should fail in our duty, and lose an excellent opportunity to point the way to avoid a repetition of this unfortunate disaster, unless we brought out clearly the lessons to be learned from it.

The San Francisco fire has demonstrated the fact that too little attention is paid to insurance matters by the insured. It has demonstrated that it is as important that a merchant know the conditions of his policy and the standing of the company in which he carries his insurance, as that he know any other vital detail of his business. It has demonstrated that the wise merchant will no longer allow his insurance agent to place his policies wherever the agent sees fit, and without reference to the standing of the companies, their ability to pay, or the past record of their adjustments.

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It has demonstrated the importance of preserving uniformity in the conditions of policy contracts.

Your Committee hopes that the resolutions passed at the last annual convention of the Association will be carried out to the letter. It is due to the insurance companies which paid in full their vast losses in San Francisco to give them the financial aid and encouragement of our business as a recognition of the uprightness of their

dealings and as an appreciation of the sacrifices they have made. We have gone to the greatest pains in our investigation of the payments made by the large number of companies paying losses in San Francisco. We have endeavored with great care to do no injustice to any company interested. There are numerous companies having small losses that we have not mentioned in our report for the reason that we did not consider a company entitled to any great praise which paid a small loss in full.

We trust that this report will be treated as a practical guide for many years to come in the placing of insurance by the members of the National Association of Credit Men.

The following is a list of companies that, in the opinion of the Committee, should be placed on the **Roll of Honor.**

**AETNA INSURANCE CO., HARTFORD, CONN.,**

settled claims at 100 cents on the dollar without a discount for cash. Is entitled to high commendation. Gross loss was about \$4,200,000.

**ALLIANCE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled in full less 2 per cent. for cash. Gross loss was about \$1,300,000.

**ATLAS ASSURANCE COMPANY, LONDON, ENG.,**

settled claims in full less 1 per cent. or 2 per cent. for cash. Gross loss was about \$4,650,000.

**CALIFORNIA INSURANCE COMPANY, SAN FRANCISCO, CAL.,**

settled claims at 100 per cent. without cash discount. Gross loss was about \$2,550,000. The total assets of the company at the time of the fire were about \$450,000. Assessments were levied and paid by the stockholders sufficient in amount to pay losses in full and leave the original capital and surplus of the company intact. If other companies had emulated the California Insurance Company an impressive record would have been made in the annals of fire insurance.

**CITIZENS' INSURANCE COMPANY, ST. LOUIS, MO.,**

settled in full less 2 per cent. for cash. Gross loss was about \$1,280,000.

**CONNECTICUT FIRE INSURANCE COMPANY, HARTFORD, CONN.,**

settled claims in full less 1 per cent. to 2 per cent. for cash. Gross loss was about \$3,360,000.

**CONTINENTAL INSURANCE COMPANY, NEW YORK, N. Y.,**

settled all claims in full without cash discount. This company merits high praise. Gross loss was about \$2,535,000.

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**GERMAN ALLIANCE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims largely in full less 2 per cent. for cash. Policies contained earthquake clause but the company did not take advantage of this. Gross loss was about \$300,000.

**GERMAN-AMERICAN INSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims largely in full less 2 per cent. for cash. Policies contained an earthquake clause of which the company did not take advantage. Gross loss was about \$4,050,000.

**HARTFORD FIRE INSURANCE COMPANY, HARTFORD, CONN.,**

settled in full less 2 per cent. for cash. Considering that the gross loss was the immense sum of \$10,275,000, the company is worthy of the highest commendation.

**HOME INSURANCE COMPANY, NEW YORK, N. Y.,**

settled promptly in full, less 1 per cent. to 2 per cent. for cash. Gross loss was about \$3,194,000.

**INSURANCE COMPANY OF NORTH AMERICA, PHILADELPHIA, PA.,**

settled claims in full less 1 per cent. to 2 per cent, for cash. Gross loss was about \$4,650,000.

**LAW UNION & CROWN INSURANCE COMPANY, LONDON, ENG.,**

settled claims in full less 2 per cent. for cash. Gross loss was about \$2,295,000.

**LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY, LIVERPOOL, ENG.,**

settled in full promptly on adjustment without cash discount. This company deserves high commendation. Gross loss was about \$4,752,000.

**LONDON ASSURANCE CORPORATION, LONDON, ENG.,**

settled claims in full less 2 per cent. for cash. This company was also one of the heaviest losers. Gross loss was about \$8,291,000.

**MANCHESTER ASSURANCE COMPANY, LONDON, ENG.,**

settled claims in full less 2 per cent. for cash. Gross loss was about \$350,000.

**ROYAL INSURANCE COMPANY, LIVERPOOL, ENG.,**

settled in full promptly on adjustment without cash discount. Its loss was heavy, and the company is highly commended. Gross loss was about \$6,746,000.

**NEW HAMPSHIRE FIRE INSURANCE COMPANY, MANCHESTER, N. H.,**

settled claims in full less 1 per cent. to 2 per cent. for cash. The policies contained an earthquake clause, but the company did not take advantage of this fact. Gross loss was about \$874,000.

**NEW YORK UNDERWRITERS' AGENCY, NEW YORK, N. Y.,**

settled the same way as the Hartford Fire Insurance Company and its settlements are included in the figures given above for the latter company.

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**NIAGARA FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled in full less 2 per cent. for cash. Gross loss was about \$2,600,000.

**NORTH BRITISH & MERCANTILE INSURANCE COMPANY, LONDON, ENG.,**

settled in full less 2 per cent. for cash. Gross loss was about \$3,980,000.

**NORTHERN ASSURANCE COMPANY, LONDON, ENG.,**

settled claims in full less 1 per cent. for cash. Gross loss was about \$4,187,000.

**PELICAN ASSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims in full less 2 per cent. for cash. Gross loss was about \$524,000.

**PHOENIX ASSURANCE COMPANY, LONDON, ENG.,**

settled in full less 2 per cent. for cash. Gross loss was about \$4,370,000.

**QUEEN INSURANCE COMPANY OF AMERICA, NEW YORK, N. Y.,**

settled in full promptly on adjustment, without cash discount, and deserves high praise. Gross loss was about \$2,157,000.

**MICHIGAN FIRE & MARINE INSURANCE COMPANY, DETROIT, MICH.,**

settled claims in full less 2 per cent. for cash. Gross loss was about \$452,000.

**SCOTTISH UNION AND NATIONAL INSURANCE COMPANY, EDINBURGH, SCOTLAND,**

settled most of the claims made against it in full less 2 per cent. for cash. Gross loss was about \$1,832,000.

**SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY, SPRINGFIELD, MASS.,**

settled claims in full less 1 per cent. to 2 per cent. for cash. Gross loss was about \$2,150,000.

**SUN INSURANCE COMPANY, LONDON, ENG.,**

settled most of the claims against it in full less 2 per cent. for cash. Gross loss was about \$3,122,000.

**UNION ASSURANCE SOCIETY, LONDON, ENG.,**

settled claims in full less 2 per cent for cash. Gross loss was about \$4,453,000.

**WASHINGTON FIRE INSURANCE COMPANY, SEATTLE, WASH.,**

settled claims in full less 2 per cent. for cash. It suffered only a small loss, about \$91,000.

The following companies, while not included in the Roll of Honor, maintained a high average of payments and settled their losses to the satisfaction of their policyholders:

**AGRICULTURAL INSURANCE COMPANY, WATERTOWN, N. Y.,**

discounted some claims at first, but paid the bulk of them at a discount for cash of 2 per cent. to 5 per cent. Gross loss was about \$1,300,000.

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**AMERICAN CENTRAL INSURANCE COMPANY, ST. LOUIS, MO.,**

settled most claims in full with a discount for cash of 2 per cent. to 5 per cent., but in some instances a larger discount was taken. Gross loss was about \$2,975,000.

**AMERICAN INSURANCE COMPANY, NEW ARK, N. J.,**

began by discounting, but later paid in full less 2 per cent. for cash. Gross loss was about \$1,450,000.

**GLENS FALLS INSURANCE COMPANY, GLENS FALLS, N. Y.,**

settled most claims in full less 2 per cent for cash, but some as low as 90 per cent. Gross loss was about \$1,502,000.

**MERCANTILE FIRE & MARINE INSURANCE COMPANY, BOSTON, MASS.,**

settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$1,118,000.

**NEW ZEALAND INSURANCE COMPANY, AUCKLAND, N. Z.,**

settled claims in full less 2 per cent. for cash. About one-fifth of its policies contained a strong earthquake clause and on these policies the company required a discount of 10 per cent. to 25 per cent. Its settlements, however, were considered liberal. Gross loss was about \$2,065,000.

**PENNSYLVANIA FIRE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims in full less 2 per cent. to 5 per cent. for cash. Its average of adjustments was high. Gross loss was about \$4,520,000.

**PHOENIX INSURANCE COMPANY, HARTFORD, CONN.,**

settled most claims in full less 2 per cent. for cash. Its policies contained an earthquake clause and the

early claims were settled on the basis of about 75 per cent. The average of payments was good. Gross loss was about \$2,403,000.

**PROTECTOR UNDERWRITERS, SAN FRANCISCO, CAL.,**

made the same settlements as the Phoenix Insurance Company of Hartford, and its figures were included in the above figures for that company.

**PROVIDENCE-WASHINGTON INSURANCE COMPANY, PROVIDENCE, R. I.,**

settled claims largely in full less 2 per cent. to 5 per cent. for cash, but some settlements were made on a basis as low as 90 per cent. Gross loss was about \$1,330,000.

**SECURITY INSURANCE COMPANY, NEW HAVEN, CONN.**

settled claims mostly in full less 1 per cent. to 5 per cent. discount for cash. A 90 per cent. basis of settlement was used in some cases. Gross loss was about \$551,000.

**ST. PAUL FIRE & MARINE INSURANCE COMPANY, ST. PAUL, MINN.,**

settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$2,156,000.

**STATE FIRE INSURANCE COMPANY, LTD., LIVERPOOL, ENG.,**

settled claims mostly in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$1,244,000.

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**TEUTONIA INSURANCE COMPANY, NEW ORLEANS, LA.,**

settled claims in full less 2 per cent. to 5 per cent. for cash. Gross loss was about \$402,000.

The Committee reports the following as a list of the more important of the companies—not hereinbefore mentioned—which sustained losses in the San Francisco fire, with an estimate of the payments made by each company on its adjusted policies. The information and estimates as here given are as nearly correct as can be ascertained from the data at hand at this time. Companies which had only reinsurance losses are not included nor are companies having small losses.

**AACHEN AND MUNICH FIRE INSURANCE COMPANY, AIX-LA-CHAPELLE, GERMANY,**

settled claims on a basis as low as 75 per cent., but paid 80 per cent. to 90 per cent. on many claims, and in a few cases more. It was reported to be able to pay claims in full. Gross loss was about \$4,060,000.

**ALLIANCE ASSURANCE COMPANY, LONDON, ENG.,**

had an earthquake clause in its policies. It paid claims at the rate of 50 per cent. to 75 per cent., according to location. It claimed to pay losses of \$500 or less in full and at least \$500 on claims of \$500 or more. Many claimants against this company sued on their policies. The stand taken by this company was considered unjust, and was generally condemned. Gross loss was about \$3,500,000.

**AUSTIN FIRE INSURANCE COMPANY, AUSTIN, TEXAS,**

settled at 65 per cent. of losses and upwards, largely at about 75 per cent. Gross loss was about \$380,000.

**AUSTRIAN PHOENIX INSURANCE COMPANY, VIENNA, AUSTRIA,**

absolutely denied liability, and without any excuse withdrew from the State and has paid no claims. The company deserves only condemnation. Gross loss was about \$2,400,000.

**BRITISH-AMERICA ASSURANCE COMPANY, TORONTO, ONT.,**

settled some claims at 85 per cent. and 90 per cent. but made payments largely in the form of one-third in cash at once, one-third in six months, and one-third in twelve months. Drafts were promptly paid on

maturity. Its losses were heavy, and its settlements were considered just. Gross loss was about \$1,196,000.

**BRITISH AMERICAN INSURANCE COMPANY, NEW YORK, N. Y.,**

made its settlements after the same principle as the British-America Assurance Company of Toronto. Gross loss was about \$217,000.

**BUFFALO GERMAN INSURANCE COMPANY, BUFFALO, N. Y.,**

settled claims at from 75 per cent. to 90 per cent. though it was reported to be financially able to pay in full. Gross loss was about \$351,000.

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**CALEDONIAN INSURANCE COMPANY, EDINBURGH, SCOTLAND,**

settled claims at from 75 per cent. upwards, but largely at about 90 per cent. Some settlements were as high as 98 per cent., but the average was low. Gross loss was about \$4,894,000.

**CALEDONIAN AMERICAN INSURANCE COMPANY, NEW YORK, N. Y.,**

settled on the same basis as Caledonian of Edinburgh. Gross loss was about \$876,000.

**CALUMET, CHICAGO, ILL.,**

settled on a basis of about 50 per cent. after its stockholders had subscribed to a special fund of \$500,000 to pay losses. Gross loss was about \$1,238,000.

**COLONIAL UNDERWRITERS, HARTFORD, CONN.,**

made the same settlement that the National Fire Insurance Company of Hartford made, and the figures are included below under the latter company.

**COMMERCIAL UNION ASSURANCE COMPANY, LTD., LONDON, ENG.,**

had an earthquake clause in its policies. It settled claims on the basis of 50 per cent. to 75 per cent., according to location. It made the statement that it paid losses of \$500 or less in full, and at least \$500 on \$500 or more. It was reported to be financially able to pay in full and was sued on many policies. The stand taken by the company was considered unjust, and was severely criticised. Gross loss was about \$2,940,000.

**COMMERCIAL UNION FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

had the same policy contract as the Commercial Union of London and settled upon the same basis. Gross loss was about \$117,000.

**CONCORDIA FIRE INSURANCE COMPANY, MILWAUKEE, WIS.,**

settled claims at 75 per cent. to 90 per cent. though reported to be financially able to pay in full. Gross loss was about \$393,000.

**COSMOPOLITAN FIRE INSURANCE COMPANY.**

(See North German Fire Insurance Company of New York.)

**DELAWARE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims at from 60 per cent. to 80 per cent., but largely at 75 per cent. Its ratio of settlement was poor. Gross loss was about \$1,000,000.

**FIRE ASSOCIATION OF PHILADELPHIA, PHILADELPHIA, PA.,**

settled claims at 75 per cent. to 95 per cent. It was reported to be financially able to pay in full, but was severely criticised on account of arbitrary deductions. Gross loss was about \$2,459,000.



**FRANKLIN FIRE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled most of the claims against it on the basis of 75 per cent. to 90 per cent., but some of its claims at 98 per cent. The company was criticised for its arbitrary deductions. Gross loss was about \$2,123,000.

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**EAGLE FIRE COMPANY OF NEW YORK, NEW YORK, N. Y.,**

settled mostly at 75 per cent. This company was very arbitrary, and was much criticised and withdrew from the State. Gross loss was about \$985,000.

**ENGLISH AMERICAN UNDERWRITERS, HARTFORD, CONN.,**

made settlement on the same basis as the London & Lancashire Fire Insurance Company and its loss is shown under that of the latter company.

**FIREMAN'S FUND INSURANCE COMPANY, SAN FRANCISCO, CAL.,**

was the heaviest loser by the fire and was compelled to settle the claims of the Home Fire & Marine Insurance Company, amounting to \$2,700,000, and those of the Pacific Underwriters amounting to \$2,100,000 in addition to its own. It settled with claimants by paying 56 1/2 per cent. cash and 50 per cent. in the stock of the company at \$500 per share, par value \$100, which was satisfactory to the claimants. The stock is now worth \$200. The settlement of this company was considered a remarkable financial achievement, netting the claimants an equivalent of about 75 per cent. cash and enabling the company to continue in business. The stock-holders paid an assessment of \$300 per share. Gross loss was about \$11,500,000.

**GERMAN FIRE INSURANCE COMPANY, PEORIA, ILL.,**

had losses amounting to about \$900,000, which it settled on the basis of 50 per cent.

**GERMANIA FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

was another company which was severely criticised because of its arbitrary attitude and while reported to be in sound enough condition to pay all losses in full, chose to settle at 75 per cent. to 95 per cent., largely at the latter figure. Gross loss was about \$3,830,000.

**GIRARD FIRE & MARINE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims at 75 per cent. and upwards, but principally at 75 per cent. and 80 per cent. This company was much criticised. Gross loss was about \$1,148,000.

**GLOBE & RUTGERS FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

was another company which came under much censure. There was never any doubt of the ability to pay losses in full, but it settled its claims mostly at 75 per cent., though some were settled at 90 per cent. Gross loss was about \$1,096,000.

**HAMBURG - BREMEN FIRE INSURANCE COMPANY, HAMBURG, GERMANY,**

settled generally at 70 per cent. to 75 per cent., though on some claims, settled among the last, paid more. It was severely criticised for insulting and discourteous treatment, and also for displaying prominently in its New York office a misleading notice, to the effect that it was pleased to inform its friends and patrons that funds had been sent over from Hamburg for the purpose of promptly paying its San Francisco losses. Gross loss was about \$4,394,000.

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**HANOVER FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled at 75 per cent. and upwards; largely at about 90 per cent., though reported to be financially able to

pay in full. Gross loss was about \$1,725,000.

**HOME FIRE AND MARINE INSURANCE COMPANY, SAN FRANCISCO, CAL.,**

had its loss paid by the Fireman's Fund Insurance Company. Its gross loss is included in the Fireman's Fund loss. The company immediately went out of business.

**INDEMNITY FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

made the same settlement as the Norwich Union. Gross loss was about \$175,000.

**LONDON AND LANCASHIRE FIRE INSURANCE COMPANY, LIVERPOOL, ENG.,**

began by paying the smaller claims in full, less 2 per cent. for cash, then dropped its percentage as low as 85 per cent., only to raise it afterwards to 98 per cent. and 100 per cent. Its methods came in for severe criticism, as nobody doubted its ability to pay in full. Gross loss was \$7,789,000.

**MILWAUKEE MECHANCS' [sic] INSURANCE COMPANY, MILWAUKEE, WIS.,**

settled claims at 70 per cent. This company took advantage of the Wisconsin "Safety Fund Law," and while acting within its legal rights, aroused bitter feeling against itself. Gross loss was about \$2,637,000.

**NASSAU FIRE INSURANCE COMPANY, BROOKLYN, N. Y.,**

settled claims at 70 per cent. to 90 per cent., mostly at 75 per cent. It was another company which made itself disliked. Gross loss was about \$374,000.

**NATIONAL FIRE INSURANCE COMPANY, HARTFORD, CONN.,**

began by discounting on the basis of 75 per cent., and later settled the remaining claims at 90 per cent. or better. It could have paid in full and came in for much condemnation. Gross loss was about \$3,601,000.

**NATIONAL UNION FIRE INSURANCE COMPANY, PITTSBURG [sic], PA.,**

settled at 75 per cent. and upwards; largely at about 90 per cent. It also was bitterly criticised for its attitude, but its loss affected the company badly. Gross loss was about \$1,627,000.

**NEW BRUNSWICK FIRE INSURANCE COMPANY, NEW BRUNSWICK, N. J.,**

settled largely at about 75 per cent. Gross loss was about \$178,000.

**NORTH GERMAN FIRE INSURANCE COMPANY, HAMBURG, GERMANY,**

presented the worst possible record. It denied all liability, retired from the State and paid no claims. Gross loss was about \$4,100,000.

**NORTH RIVER INSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims mostly at 75 per cent., but in some cases was more liberal. Its methods were criticised severely. It was reported to be able to pay in full. Gross loss was about \$537,000.

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**NORTHWESTERN FIRE AND MARINE INSURANCE COMPANY, ST. PAUL, MINN.,**

settled claims in general at from 75 per cent. to 85 per cent. It was said to be amply able to pay claims in full, and was much criticised for its action. Gross loss was about \$215,000.

**NORTHWESTERN NATIONAL INSURANCE COMPANY, MILWAUKEE, WIS.,**

settled most of the claims against it in full less 2 per cent. for cash, but discounted some claims down to 80 per cent. which spoiled a record otherwise good. Gross loss was about \$761,000.

**NORWICH UNION FIRE INSURANCE SOCIETY, NORWICH, ENG.,**

had an earthquake clause in its policies. Claims were settled at 50 per cent. and 75 per cent., according to location. It claimed to pay losses of \$500 or less in full and at least \$500 on claims of \$500 and over. It was among the companies which were able to pay in full but assumed an attitude which called for general disapprobation. Gross loss was about \$2,739,000.

**ORIENT INSURANCE COMPANY, HARTFORD, CONN.,**

settled claims on the same basis as the London & Lancashire Company. Shared the ill feeling aroused by the action of the latter. Gross loss was about \$1,641,000.

**PACIFIC FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled at 70 per cent. and upwards and was also harshly criticised. Gross loss was about \$81,000.

**PACIFIC UNDERWRITERS, SAN FRANCISCO, CAL.,**

had its losses paid by and included in Fireman's Fund payments.

**PALATINE INSURANCE COMPANY, LTD., LONDON, ENG.,**

made the same settlement as the Commercial Union of London, though like the latter, was financially able to pay in full. Gross loss was about \$2,510,000.

**PETER COOPER FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

which settled claims at 75 per cent. and upwards was confronted with but a small loss which it was amply able to take care of in a spirit of liberality. Gross loss was about \$89,000.

**PHENIX INSURANCE COMPANY, BROOKLYN, N. Y.,**

settled claims at from 75 per cent. to 100 per cent. Its methods brought much hard feeling against it. Gross loss was about \$5,294,000.

**PHILADELPHIA UNDERWRITERS, PHILADELPHIA, PA.,**

settled most claims at from 90 per cent. to 95 per cent., and rarely paid higher percentages. Its gross loss was included in that of the Fire Association of North America.

**PRUSSIAN NATIONAL INSURANCE COMPANY, STETTIN, GERMANY,**

settled its losses generally at 75 per cent. and came in for severe criticism. Gross loss was about \$1,286,000.

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**QUEEN CITY FIRE INSURANCE COMPANY, SIOUX FALLS, S. D.,**

settled its claims at 75 per cent. and upwards. In many cases settlements in full were made through notes. It sustained a heavy loss for a small company but cared for its notes satisfactorily. Gross loss was about \$304,000.

**RHINE & MOSELLE FIRE, STRASBOURG, GERMANY,**

exhibits a very bad record. Its policies contained an earthquake clause and the company denied liability and withdrew from the State refusing to pay any except claims of \$500 or less on which it offered 50 per cent. Gross loss was about \$4,500,000.

**ROCHESTER GERMAN INSURANCE COMPANY, ROCHESTER, N. Y.,**

settled claims for 85 per cent. and upwards, largely at 90 per cent. to 95 per cent. The company suffered badly because it was small. Gross loss was about \$976,000.

**ROYAL EXCHANGE ASSURANCE, LONDON, ENG.,**

settled claims at 75 per cent. and upwards, largely at 90 per cent. to 95 per cent. Its record was not what it should be for so strong a company, and its methods of getting at adjustments were considered arbitrary. Gross loss was about \$5,425,000.

**SCOTCH UNDERWRITERS, SAN FRANCISCO, CAL.,**

settled claims on the same basis as the Caledonian of Edinburgh, and figures for the former are included in those for the latter.

**SPRING GARDEN INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims in general at 70 per cent. to 75 per cent. Some claims were settled on a more liberal basis, but its methods brought the company into bad repute. Gross loss (not reported.)

**STUYVESANT INSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims at 70 per cent. to 90 per cent. Its discounts were inconsistent and arbitrary. Gross loss was about \$186,000.

**SVEA FIRE & LIFE INSURANCE COMPANY, GOTHENBURG, SWEDEN,**

settled at 75 per cent. and upwards. There was exhibited a patent attempt to get the largest discount possible and consequently hostile criticism was directed against the company. Gross loss was about \$2,125,000.

**TRANSATLANTIC FIRE INSURANCE COMPANY, HAMBURG, GERMANY,**

was another German company to present an unenviable record. It denied liability absolutely and retired from the State. As a result of the visit of a policyholders' committee to Germany, the company went into liquidation. It deserves the keenest censure for its act of desertion. Gross loss was about \$4,000,000.

**UNITED FIREMEN'S INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims for 75 per cent. and upwards: in general at from 90 per cent. to 95 per cent. Gross loss was about \$755,000.

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**WESTCHESTER FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled some claims at 75 per cent. to 80 per cent. but later paid largely in full, less a discount for cash of 2 per cent. to 5 per cent. Gross loss was about \$1,226,000.

**WESTERN ASSURANCE COMPANY, TORONTO, ONT.,**

made the same settlement as the British America of Toronto. Gross loss was about \$2,041,000.

**WILLIAMSBURG CITY FIRE INSURANCE COMPANY, BROOKLYN, N. Y.,**

had in most of its policies the earthquake clause. It settled claims on these policies at 50 per cent. to 75 per cent. according to location, and claimed to pay losses of \$500 or less in full, and at least \$500 on claims of \$500 or more. Policies which did not contain the earthquake clause were settled largely at 95 per cent. The company came in for stiff criticism and had many suits brought against it. Gross loss was about \$1,857,000.

The following companies either failed or retired from business by reasons of the fire:

**AMERICAN FIRE INSURANCE COMPANY, PHILADELPHIA, PA.,**

settled claims at about 50 per cent. and reinsured its business. Gross loss was about \$2,308,000.

**AMERICAN INSURANCE COMPANY, BOSTON, MASS.,**

settled claims at about 40 per cent. and reinsured its business. Gross loss was about \$1,200,000.

**ASSURANCE COMPANY OF AMERICA, NEW YORK, N. Y.,**

settled at about 75 per cent. and reinsured its business. Gross loss was about \$503,000.

**ATLANTA-BIRMINGHAM FIRE INSURANCE COMPANY, ATLANTA, GA.,**

paid nothing and left the State offering 25 per cent. in cash and 15 per cent. in notes. It has since gone into the hands of a receiver. Gross loss was about \$859,000.

**DUTCHESS INSURANCE COMPANY, POUGHKEEPSIE, N. Y.,**

settled claims at 30 per cent. and then reinsured its business. It also was severely criticised. Gross loss was about \$1,150,000.

**FEDERAL INSURANCE COMPANY, JERSEY CITY, N. J.,**

settled claims at 75 per cent. and upwards, largely above 90 per cent. and then reinsured its fire business. Gross loss was about \$812,000.

**GERMAN INSURANCE COMPANY, FREEPORT, ILL.,**

settled some claims at 60 per cent., reinsured its business and went into the hands of a receiver. Gross loss was about \$5,139,000.

**GERMAN NATIONAL INSURANCE COMPANY, CHICAGO, ILL.,**

settled some claims at 60 per cent. and then went into the hands of a receiver. Gross loss was about \$445,000.

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**NEW YORK FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

settled claims at 40 per cent. and reinsured its business. Gross loss was about \$479,000.

**NORTH GERMAN FIRE INSURANCE COMPANY, NEW YORK, N. Y.,**

paid no claims. It reinsured its business in the Cosmopolitan Fire Insurance Company, organized for this purpose and then went into the hands of a receiver. Gross loss was about \$802,000.

**SECURITY FIRE INSURANCE COMPANY, BALTIMORE, MD.,**

also paid nothing. It reinsured its business and went into the hands of a receiver. Gross loss was about \$700,000.

**TRADERS INSURANCE COMPANY, CHICAGO, ILL.,**

is another company which paid nothing and is in the hands of a receiver, being wound up for the benefit of its creditors. Gross loss was about \$3,748,000.

Dated May 15, 1907.

G. BRENNER

ARTHUR PARSONS

A. H. DEVERS

GEORGE F. TELFER

G. WITHERSPOON, *Chairman.*