

**SAN FRANCISCO NOTES.**

From a late survey it appears that 554 blocks of buildings were destroyed by earthquake and fire at San Francisco, only 22 buildings were left free from serious damage in the district where the fire raged.

The "Insurance Press" gives a list of 34 companies whose losses are estimated to be more than their net surplus. Not one of these companies operates in Canada.

The Vienna Re-insurance Company, has passed its usual dividend owing to losses at San Francisco.

The Metropolitan Life Insurance Company, has opened new offices and called for death claims to be promptly reported which will be settled at once.

Assistance to distressed members has been ordered by Head Office to be given.

The Pacific Mutual lost its building at San Francisco by fire, but its vaults were uninjured.

**RE-INSURANCES, INCREASES OF CAPITAL, ETC.**

The American of Philadelphia is reported to have re-insured its outstanding risks in the Commercial Union.

It is also reported that the Mercantile Fire and Marine of Boston, has re-insured in the American Central of St. Louis, the United States Fire of New York in the Westchester, and the American of Boston in the Firemens, New York. The Dutchess Insurance Company, of New York, is stated to have ceased writing business. The Calumet Fire, Chicago, has called on its stockholders for \$250, a share to pay its San Francisco losses and leave its present reserve fund intact. The directors have underwritten all stock that may not meet the call.

The Norwich Union and its American company, the Indemnity Fire of New York, will meet every liability at San Francisco, as promptly as they did the losses at Jacksonville and Baltimore.

The Hartford Fire Insurance Company is stated to be increasing its capital from \$1,250,000 to \$2,000,000, the new stock to be sold at 500 which will add \$3,000,000 to the company's net surplus.

**THE TRADERS OF CHICAGO IN HANDS OF RECEIVER.**

The greatest surprise has been the appointment of a receiver for the Traders Fire Insurance Company, of Chicago. This was announced on 5th inst., when Byron L. Smith, president of the Northern Trust Company, of Chicago, was appointed receiver, by Judge Mack, of the Circuit Court, on the application of 15 stockholders. This company was the oldest and largest of the Chicago fire companies.

The total wealth of the directors is estimated at \$50,000,000. They are strongly condemned for throwing their company into a receiver's hands.

The New York "Commercial Bulletin," says:

"It is felt that they have done an irreparable injury to the insurance interests of Chicago and of the country."

Not only will there be an immense amount of cancellations and endorsements made necessary by the receivership, but confidence in other companies will be so shaken that it is believed this failure will mean the re-insurance or retirement of a number of companies that otherwise would have lived through the storm. Underwriters are cutting down lines, and refuse to increase their liability in the congested district.

**INSURANCE COMPANIES NOT LIABLE FOR EARTHQUAKE DAMAGES.**

In reference to the liability of companies operating in San Francisco for loss directly or indirectly by earthquake the Insurance Law of California provides as follows:

Section 2628. "Excepted perils. Where a peril is specially excepted in a contract of insurance a loss which would not have occurred but for such peril is thereby excepted; although the immediate cause of the loss was a peril which was not excepted."

A correspondent of the New York journal above quoted, says: "I think about nine companies operating in San Francisco have used the clause referred to, and in each case it reads:"

"This company shall not be liable for loss caused directly or indirectly by —; or (unless fire ensues, in that event for the damage by fire only) by explosion of any kind, earthquake or lightning."

On May 2, a meeting was held in London, of the representatives of the British fire offices interested in San Francisco, who sent a joint dispatch to Oakland to following effect:

"Under any circumstances the British offices will only pay the losses for which they are legally liable, since to go beyond their contracts would be illegal. They cannot recognize any liability for damage by earthquake where no fire ensued, nor for damages to buildings pulled down or destroyed by order of the San Francisco authorities."

The committee of insurance officials at Oakland is directed in the general interest and before the removal of debris to employ immediately the best available engineers and surveyors to investigate and report in detail the earthquake damage in the burned area.

Three British offices, the Alliance, the Commercial Union of Norwich and the Union, whose San Francisco policies contain clauses excluding liability for fires due to earthquakes, have sent telegrams to their agents at San Francisco explaining that, whilst concurring in the resolution quoted above, they do so without prejudice to the special position they occupy.

It is to be regretted that friction has arisen between the local agents and brokers, and the officials sent from the East to assist in adjusting losses. The situation is so novel, so complicated, and presents such grave problems that wide differences of opinion inevitably arose, but it is to be hoped that