

PROCEEDINGS OF THE TWENTIETH ANNUAL MEETING OF THE Pacific Coast Fire Insurance Co.

The twentieth annual meeting of the shareholders of the Pacific Coast Fire Insurance Company was held in the head office of the company, 330 Pender Street, Vancouver, B.C., on the afternoon of February 16th, 1910, a large percentage of the stock being represented. In the absence of the president, Mr. Thos. T. Langlois, the chair was occupied by Dr. D. H. Wilson, vice-president of the company. Mr. F. H. Godfrey, secretary of the company, acted as secretary of the meeting. The financial reports were presented by Mr. R. H. Duke, general manager of the company.

The vice-president, in moving the adoption of the report, said in part:—The financial report that has just been submitted shows that the progress of this company during the past year has more than kept pace with the unprecedented development that has taken place throughout Canada.

Under our Dominion charter we are laying firmly and broadly from one end of Canada to the other the foundation of a stable and satisfactory business. Your board is also carefully extending the business of the company throughout Great Britain and the United States. In proportion to our growth and development we shall retain to the people of Canada a share of the capital that for the past has been constantly drained out of the country in payment of fire insurance premiums.

It is 20 years since this company received a provincial charter from the Government, and during all the exigencies incident to the birth and establishment of a fire insurance company, we have invariably met all claims made upon us promptly and justly, so that the Pacific Coast Fire Insurance Company stands to-day with an absolutely untarnished record.

It must be gratifying to you, as it is to me, to know that during the year our paid-up capital has increased from \$145,595.00 to \$167,040.00; security to policyholders from \$343,820.30 to \$424,990.60, and the net premium income from \$57,586.18 to \$113,718.25.

I may further add that your directors in the investment of the company's moneys have been careful to place them at the most remunerative rates that were consistent with absolute security.

With the unquestioned rapid growth of Canada, I believe there lies before this company the brightest of futures.

The motion to adopt the report was seconded by Mr. W. H. Malkin, president of the W. H. Malkin wholesale grocery company, a director, who said in part:—

The analysis of the report you hold in your hands can not fail, I am sure, to convey a feeling of satisfaction to every shareholder. I, myself, do not pretend to be an insurance man, but as a business man I happen to be a considerable user of insurance, like most of you in this room. When considering the buying of insurance I think you will agree with me, there are two points which the purchaser always should bear in mind, and of which he should be perfectly confident before buying. These are:—First: The ability of the insuring company to pay; second: the general policy of the company in adjusting claims. Are they fair? Are they exacting? Do they protect themselves behind technicalities? These are important points about which business men usually like to feel quite confident.

I am glad to say that this company is in a position to convince the investing public, that it not only has the ability to pay, but that it is willing to settle fairly and settle promptly. Our past history has proved this conclusively. The improvement in the condition of the company for the past twelve months has been particularly satisfactory. Assets have increased from \$224,000 to \$300,000. Security to policyholders (and in these days of criticism and close scrutiny, this is a most important point), has increased from \$343,000 to \$424,000, an increase of 24 per cent., while our premium receipts have increased 100 per cent. This latter item clearly shows that in the management there has been a reaching out after new business, and a strong effort made to keep abreast of the times.

I think the shareholders will all agree that the action of the directors in making a call of 24 per cent. on the unpaid capital of the company is quite right and proper, so that we may be in a position to take care of all the new business that may offer itself during the years to come. I am quite sure that, with this spirit of progress, the management combine the same degree of care and selection with regard to risks and general discretion of the affairs of the company, as they have in the past, we can look forward to an era of prosperity that will before long elevate our young, but progressive and aspiring company into the front rank of the older insurance companies of the Dominion of Canada.

I have much pleasure, Mr. Chairman, in seconding the adoption of the report.

Mr. R. H. Duke, the general manager of the company, in support of the motion, said in part:—

I desire to emphasize the increase of \$21,344 in the paid-up capital, the increase of \$46,170.30 in the reserves, and the increase of \$81,170.30 in the security to policyholders.

The loss ratio during the year was 48.86 per cent. of the net premiums written, while the average loss ratio for the past eight years, during which time the company has been under the present control, has been 43.93 per cent. of the net premiums written, and this, you will find, compares most favorably with the experience of other fire companies operating in the same territory.

Organization work was carried on energetically throughout the year and the company has now a force of general and local agents numbering upwards of three hundred, and the splendid increase of our business during the past 12 months is ample evidence of the loyalty and energy of these representatives.

Your directors, as has been stated, are convinced that, with the splendid organization and the enviable reputation which the company now has, a decided forward move should be made so as to be in a position to take full advantage of the great increase of business which is accruing from the rapidly filling up of our great Dominion.

To show the need which exists for the investment of a larger amount of capital in fire insurance companies in Canada, I have only to mention the fact that last year over fifteen million dollars, and in the past 40 years over two hundred and five million dollars, have been paid in premiums by the Canadian public to companies incorporated elsewhere than in Canada. With sufficient capital invested here a large part of this money would have remained in the Dominion and would have materially assisted in the development thereof.

This, then, explains the action of your directors in taking steps to increase the paid-up capital of the company by calling up, during the present year, a considerable portion of the unpaid capital on stock previously sold

and by placing on sale a further block of treasury stock in order that the subscribed capital might be brought up to \$500,000. With these calls and at the rate which the new stock is being taken up by shrewd investors, we should close the present year with a subscribed capital of at least \$500,000, and a paid-up capital of \$400,000, and while this standing will put the "Pacific Coast" in the front rank of the fire insurance companies of Canada, I believe the progressive western spirit of the directors and other shareholders of this well-proven pioneer Canadian company will not be satisfied until the company has a subscribed and fully paid-up capital of \$1,000,000.

To our excellent field representatives and also to our faithful head office staff, I desire to express the best thanks of the directors for the loyal and energetic support given the company during the year.

The outlook for the present year is the brightest in the history of the company.

Alderman James Ramsay, president of the Dominion Biscuit Company, in support of the motion spoke in part as follows:—

"The splendid reputation of this company for prompt and just settlement of losses is one that appeals strongly to business men. That there has never been on the part of this company any disposition to hide behind quibbles in settlement of legitimate losses, is, I think, most creditable to the management of this institution and to the directors.

"I just want to say that we all ought to feel very gratified with the progress being made, not only in British Columbia, but throughout the whole of Canada, and I am particularly pleased to note that the Pacific Coast Fire Insurance Company is, by materially increasing its financial strength, putting itself in a position to take care of its full share of the increased business which the wonderful development of Canada will bring to the financial institutions of our country."

Mr. George J. Telfer, general manager of the British Columbia Permanent Loan Company, in speaking to the motion, said:—

"I just want to say that we all ought to feel very much gratified with as shown by the reports and to say that the outlook for the current year promises even more satisfactory returns. The increase in the capital of the company to \$500,000 has my hearty approval. Insurance is one of the greatest factors forming the basis of credit. To make "Pacific Coast" policies a necessary part of that credit they must be made as good as possible with strong financial backing.

"Corporations and merchants in Canada are increasing their assets and their turnovers and will require larger corporations to handle their increased business. The company, by increasing its capital, will be able to obtain and take care of such increased business, will be able to better the classification of its risks, will be able to increase its premium income and thereby increase the amount available for investment at profitable western rates, will be able to decrease the proportionate liability and will be in a general position to do a larger and more profitable business."

The motion to adopt the reports as presented was then unanimously carried.

The election of the directors resulted in the re-election of the following members:—Thos. T. Langlois, D. H. Wilson, George J. Telfer, W. H. Malkin, David Spencer, George Martin, George Ward, E. H. Crandell, D. R. Dingwall, William Henderson, J. B. Mathers, Hon. Richard McBride, P. P. McLennan, Henry Carstens, James Ramsay, M. P. Thomson, J. W. Horne, and R. H. Duke.

At a subsequent meeting of the board Thomas T. Langlois was elected president; Dr. D. H. Wilson, vice-president; R. H. Duke, managing director; George J. Telfer, treasurer, and F. H. Godfrey was appointed secretary of the company.

Mr. W. T. Stein, C.A., was re-elected as auditor, and Messrs. Harris & Bull were reappointed as the company's solicitors.

STATEMENT AS AT DECEMBER 31st, 1909.

Assets.	
Stocks, Bonds and Debentures, with accrued interest.....	\$144,275 05
Mortgage, Loans, with accrued interest	40,597 81
Head Office Property	60,000 00
Real Estate	3,000 00
Good's Maps and Supplies	1,900 32
Furniture and Fixtures	1,046 32
Premiums in agent's hands and in course of collection (net).....	11,639 04
Balance on Deposit and Cash on Hand	36,074 60
	\$306,475 08
Liabilities.	
Reserve of unearned premiums for outstanding risks (Dominion Government Standard)	\$ 75,225 75
Premiums due, reinsuring Companies (net)	5,843 61
Fire Losses in course of adjustment	12,187 87
Dividends unpaid	415 00
Total Liabilities, excepting Capital	93,672 23
Surplus to Policyholders	206,804 85
	\$300,475 08
Security to Policyholders.	
Surplus as above	\$206,804 85
Subscribed capital (\$500,000.00) subject to call	142,000 00
Reserve of unearned premiums	75,225 75
	\$424,030 60

THOS. T. LANGLOIS,
President.

R. H. DUKE,
Manager.