

To The Members Of The

## Lennox and Addington Mutual Fire Insurance Company.

GENTLEMEN :

Your Directors beg to submit their twenty fourth annual statement which we trust will be highly satisfactory, and it affords them much satisfaction to note the continued favor, confidence and popularity of the Company among the farmers of these counties.

Your Directors exceedingly regret to be compelled to report the unprecedented heavy losses by fire that have fallen upon the Company during the year 1900 necessitating the levying of a special assessment —“the most disastrous year in the history of the Company,” however your Directors, after reviewing the situation, think that they have no right to feel in any way discouraged in regard to the future of the Company, which was increasing its business and reducing its liabilities rapidly until it became overwhelmed with the excess in losses added to its already heavy liability.

We regret that a few of our members on the expiration of their policies were led away by the false alarm sounded by the unscrupulous agents of competing companies and reinsured in stock companies where they are now paying \$1.35 on dwellings and \$1.50 on out-buildings to their sorrow, for upon reflection they now see that Insurance Companies' losses, like the farmers' crops, cannot be regulated so as to figure out the same amount each year. The farmer in order to ascertain whether his farm is paying or not, does not quote the poorest year he ever had, but on the contrary, he very properly takes the average for a number of years. Your Company's rate on 8d class risks for the past three years, owing to the last year being so disastrous, has been raised to \$1.45, but this is the highest in 24 years' experience, though no higher than the regular rates now charged by stock companies. The average rate on 8d class for 24 years in the Lennox and Addington Mutual, including all special assessments, has only been the extremely low one of 88 cents per \$100.00 for 3 years' insurance, which certainly is very creditable. Then when we consider the fact that we are in a much stronger position financially to-day than what we were a year ago, having reduced our liability, we think that we have a right to feel encouraged in spite of all drawbacks.

The Government Inspector is now insisting upon the prompt collection of all assessments when due, claiming that it is a protection to the Company and the delinquent policy holder as well. The exceedingly liberal form of policy offered by your company, together with the very generous spirit in which your Directors have met the recent heavy losses, some of which it is safe to say no other company in existence would have recognized at all. While causing its members to pay only ordinary stock companies' rates for the short period of three years out of the 24 years' history of the Company has been a great blessing to those who lost their property and is also bearing fruit in inducing those whose policies are expiring in less liberal companies to insure with your Company.

Years of heavy losses, followed by years of light ones seems to be the history of all Mutual Companies. As witness the experience of the Bay of Quinte Mutual of Prince Edward County which had