

vide for renewals, depreciation, etc. Deducting these two amounts from the surplus of \$1,201,976, there remains \$901,158 at the credit of surplus account, to be carried forward to succeeding year.

During the year \$306,000 of the company's 4½ p.c. bonds were issued, \$118,000 of which to repay the company 75 p.c. of the amount expended by it for extensions in the gas and electric departments, and \$38,000 to provide for the retirement of the same amount of debentures of the Royal Electric Company. There were also issued \$64,000 of the company's 5 p.c. bonds to retire the balance of the outstanding bonds of the Standard Light & Power Company.

The business in 1905 increased as the following additions show:

Incandescent lamps counselled	39,448
Power, increase Horse, Power	6,386
Gas meters installed	5,110
Stoves, generators etc., sold	2,463

New services put in 1775 equivalent to 11.3 miles and new Mains land 12.2 miles. Considering the outcry about the price of gas, the increase in meter instalments must be considered large.

The liabilities of the company are as follows:

Capital Stock	\$17,000,000	
Bonds		
1st Mortgage M. L. H. & P. Co's. 4½ p.c. bonds	7,500,000	
Less,		
In Escrow \$976,000, in Treas- ury \$1,495,000	2,471,000	5,029,000
Machine Sinking Fund Bonds, 5 p.c.	4,000,000	
Less,		
In Escrow \$495,000, retired and cancelled \$70,000	565,000	
		3,435,000
Insurance account	150,000	
Contingent account	150,000	
		\$26,764,000
Current liabilities, accounts due etc	772,574	
Surplus account	901,158	
		<u>\$27,437,732</u>
The Assets consist of,		
Stock, Bonds and Interest in other corporations ...	23,720,457	
New construction	3,000,961	
Current assets, accounts due etc	716,312	
		<u>\$27,437,732</u>

The company is extending its plant in anticipation of large extensions of business.

President Holt stated that it was the desire of the directors to place the company in a strong financial position, and that if business should warrant such a step, it was the intention to increase the dividend rate in the near future. This is taken as an intimation that in all probability a 5 p.c. dividend will be declared probably in the fall. Mr. Charles R. Hosmer was elected a director to replace Mr. Porteous. With this exception the Board remains the same as heretofore.

UNDERWRITERS AND SAN FRANCISCO LOSSES

A meeting of fire underwriters representing the principal companies of this continent was held in New York on 31st ult., to consider the situation at San Francisco and take such action as was desirable. A series of resolutions were passed, the preamble of which sets forth the existing conditions, and their causes, viz., the earthquake, conflagration, the difficulty of clearly segregating losses for which companies are liable from those from which they are exempt, the existence of many varying forms of policy contracts, the loss of essential records, both by insurance companies and by the assured.

The resolution then said:

"Whereas, It is highly desirable that all losses for which fire insurance companies are legally liable should be promptly settled with equity and fairness to all concerned; and

"Whereas, It is expedient that a statement as to the legal and moral liability of companies in regard to claims arising from the catastrophe at San Francisco should be made, the subjoined is adopted as a fair statement of such liability, suitable to be used as the basis for adjusting losses:

"First. Where policies covered buildings (and or their contents) which had certainly fallen before the fire, or which had been so damaged as to void the insurance under the express terms of the contract, claims under such policies should not be paid.

"Second. Where policies covered buildings (and or their contents), which may have been damaged or destroyed by the authorities, civil and or military, subsequent to the conflagration,—claims under such policies should not be paid until the facts have been definitely ascertained.

"Third—(a) Where policies covered buildings (and or their contents), which were probably, but not certainly, so damaged by earthquake as to be brought within the provisions of the fallen building clause; or

"(b) Where policies covered buildings (and or their contents), which had suffered from shock of earthquake, but not to such an extent as to bring them within the provisions of the fallen building clause; or

"(c) Where policies covered buildings (and or their contents), which had been damaged or destroyed by the authorities, civil and or military, before fire had reached them; or

"(d) Where policies covered property whose owners, by reason of the destruction of their books and records, are unable to supply the proofs of value required by the conditions of their insurance policies. In all such cases claims should be settled by a reasonable compromise.

"Fourth. Where policies covered contents of buildings which are certainly not affected by the exemption conditions of the policy,—claims under such policies should be paid as soon as adjusted, subject to such deduction, if any, as may fairly be made on account of the salvage resulting from the removal of portable property from buildings before fire had reached them."

The resolution was passed unanimously.

Amongst those present were Mr. J. J. Kenny, British America; E. F. Beddall, Queen; R. M. Bissell, Hartford; E. H. A. Corren, Home; W. M. Kremer, German-American, and others.