

LONDON & LANCASHIRE FIRE INSURANCE COMPANY LIMITED.

Firmly established upon sound foundations and directed with energy and enterprise, the London & Lancashire Fire Insurance Company continues year by year to extend the scope of its operations. The Company celebrated the jubilee of its establishment in 1912, and in the three accounts following this celebration has added to its net premium income over \$2,250,000. Last year's increase of about \$920,000 was the largest of the three, and is especially noteworthy as having been achieved in a year witnessing such a vast upheaval in business as did 1914. Probably but for the disturbance of business directly attributable to the war, an even more remarkable advance would have been achieved. The total premium income of last year was practically \$14,000,000 as compared with under \$6,000,000 in the opening year of the present century. These figures are eloquent of the great strides which have been made by this Company under the general management of Mr. F. W. P. Rutter, and a further advance to the round figure of \$15,000,000 will undoubtedly not be long deferred.

FIRE DEPARTMENT'S RECORD

The summarised results of the business printed on another page show effectively the satisfactory character of the enlarged business which has been undertaken. In all three departments of fire insurance, accident insurance and marine insurance, business was such as to give a substantial surplus. While in the fire department the results achieved were not so favorable as those of 1913, they were not unsatisfactory. With premiums of \$8,278,565, losses paid and outstanding absorbed \$4,593,165, a ratio of 55.5 per cent. compared with 49.4 in 1913, the last mentioned year being the fourth in succession in which the proportion of premiums required to meet claims was below 50 per cent. Expenses, including taxes, totalled \$2,958,780, a somewhat larger proportion than in 1913 also but still showing economy of administration at 35.7 per cent. of net premiums. After adjusting the unexpired risk reserve, now standing at \$3,312,500, there remained an underwriting surplus of \$844,120, increased by interest receipts to \$993,305. Of this, \$500,000 has been added to the additional reserve—thereby raised to \$1,000,000—and the balance of \$493,305 carried to profit and loss. Besides the considerably enhanced fire funds of \$4,312,500, there is the general reserve of \$5,000,000 and a profit balance of \$4,238,330, a total of \$13,550,830, giving the very fine proportion of funds available for the protection of fire policyholders of over 163 per cent. of last year's net premium income apart altogether from the paid-up and subscribed capital.

IMPORTANT ACCIDENT BUSINESS.

A great stride forward was taken by the accident department last year, the net premium income being increased by over one million dollars to \$4,540,375. This increase is chiefly due to the forward policy adopted some time ago on this side of the Atlantic, the London & Lancashire Accident and Guarantee Company of Canada, which for several years has successfully transacted business in the Dominion having within the last year or two begun operations in the United States. The association of this remarkable increase in business with claims absorbing no more than \$1,925,910, or 42.4 per cent. of

the premiums is particularly satisfactory. Expenses and taxes at \$1,737,410, equal to 38.3 per cent. of the premiums, also show a considerable proportionate decline in comparison with 1913. The progress now being made is evidence that in this department of underwriting the London & Lancashire will in the not far distant future be numbered among the giants of British accident offices.

THE COMPANY IN CANADA.

The London & Lancashire Fire is widely and favorably known in the Canadian field, it having been first established in the Dominion in 1880, and built up an extensive and highly-efficient organisation. Last year the London & Lancashire received net cash for fire premiums in Canada, \$691,561, while net losses incurred were \$401,960, giving a loss ratio of 58.12 per cent. The London & Lancashire Accident & Guarantee Company, founded in 1908, and controlled by the London & Lancashire Fire, transacts an extensive business in the various departments of casualty insurance in the Dominion. Since 1893, Mr. Alfred Wright has been the London and Lancashire Fire's manager at its Toronto office, and chief agent in Canada, while Mr. Colin E. Sword occupies the important position of manager at Montreal of both fire and accident business. Mr. Alex. MacLean is manager at the Head Office for Canada (Toronto) of the Accident Department.

QUEBEC FIRE INSURANCE COMPANY.

The London & Lancashire Fire operates in Canada the Quebec Fire Insurance Company. Policyholders of this Company, which dates from 1818, are protected by a surplus of \$584,895 and in addition by the guarantee of the London & Lancashire Fire, making the security afforded unexceptionable. Last year the Quebec Fire received net cash for premiums of \$247,651 and incurred net losses of \$118,763, giving the very favorable ratio of 47.95 per cent.

FIRE IN UNOCCUPIED RESIDENCE.

Mr. Justice MacLennan, of Montreal, has dismissed the suit brought by D. Anderson against the Norwich Union and the Scottish Union & National companies for the amount of two policies issued on a residence owned by Anderson at Longueuil which was destroyed by fire in July, 1906.

The case of the companies upheld by the Court was as follows:—

By the terms of the policies plaintiff was bound to give due notice of loss within 60 days; he did not give such notice until nine months had expired. Though the first policy stated that, generally, the house was to be unoccupied from October till May, plaintiff could not read such a condition into the second policy; anyway, the fire had taken place in July, and the premises were then, and had been for a long time previous to that time, unoccupied. The supposition was that the premises would be occupied between May and October. The policies specifically stated that they would be void if the premises were unoccupied for a period of ten days, or if hazard were increased—and the companies contended that the mere fact of unoccupancy did increase the hazard.

In an almost similar case arising out of the same fire, a jury in the Superior Court threw out the claim of Mrs. Anderson, who sued on account of the loss of her household furniture, and this finding was subsequently upheld by the Court of Appeals.