

From Across the Line

NEW YORK INSURANCE LETTER.

Refusal of New York Insurance Department to Sanction Absorption of Washington Life—Fire Underwriting Results During 1908—State Regulation of Fire Rates—Special Correspondence of THE CHRONICLE.

The vexed question of the final relationship between the Washington Life Insurance Company, of New York, and the Pittsburg Life and Trust Company, which has attracted so much attention all over the country, is at last temporarily settled by the refusal of the New York insurance department to allow the consummation of the re-insurance deal which was supposed to be effected on January first, and by which the Pittsburg company absorbed the Washington Life. The subject has been of great interest on account of its unusual, unique and unprecedented features. Under order of the court the Pittsburg Life and Trust Company returned the assets of the New York company to this city to be under the trusteeship of the New York Insurance Department. In the meantime the Pittsburg company made application to enter this state, hoping thereby to complete its supreme control of the New York company. The superintendent of insurance now gives a lengthy decision in which he denies the right of the Pittsburg Life and Trust Company to enter this state, and obtain control of the Washington Life without several modifications which may be briefly summarized as follows: The Pittsburg company must make a separate application, agreeing to keep a distinct account in its office of receipts and disbursements in behalf of Washington Life policyholders. It must also maintain in the State of New York at all times sufficient assets to protect the interests of Washington Life policyholders in this state. The purpose assigned for this provision is that in case the management or personnel of the Pittsburg company should change or become irresponsible, the Washington Life Insurance Company might then protect itself as a separate organization by mutualizing under the terms of Section 95 of the laws of the State of New York. The Pittsburg Company is given thirty days in which to act upon this advice, or rather mandate, of the insurance department. There is considerable speculation among insurance men as to what the final outcome of the case will be.

National Board of Fire Underwriters.

At the meeting of the National Board of Fire Underwriters on the 13th inst., President J. Montgomery Hare, United States manager of the Norwich Union Fire Insurance Society, presented his annual report, which was full of telling and pertinent suggestions, particularly with regard to the ever increasing fire waste and its effect upon fire insurance rates and the condition of fire insurance generally. President Hare pointed out that while during 1908 a small underwriting profit was shown, during the last ten years an actual underwriting loss of between three and four per cent. was experienced. He also called attention to the continued growth of term business which, while

competition has forced it upon the companies, is not regarded as profitable or expedient upon the whole. We may remark in passing that less interest than might be expected is manifested in these meetings of the National Board, which is really one of the most important fire insurance organizations in the country.

Harrassing Insurance Legislation.

It was with much satisfaction that the fire insurance men saw the adjournment of the New York legislature without the enactment of an anti-compact or a valued policy law. The insurance legislation during the past session was for the most part wholesome or at least unobjectionable.

The enactment of laws in Kansas, Texas and Missouri which confer upon the state the power to regulate fire insurance rates and the fact that other commonwealths are also threatening such legislation are causing the officers and managers of the great companies in the East to view with apprehension the growth of the paternalistic idea concerning insurance in this company.

Notes.

The Aetna Indemnity Company proposes to increase its capital stock to \$1,000,000.

The National Fire Protection Association, an auxiliary body of the National Board of Fire Underwriters, met in this city during the week and discussed matters of great importance connected with fire protection and fire prevention. Mr. C. M. Goddard, of Boston, was elected president.

The New York Burglary Insurance Association has been formed with Mr. E. B. Quackenbush, of the Ocean Accident Corporation, as president.

At its recent annual election the New York Board of Fire Underwriters chose as its president, Mr. William M. Kremer, president of the German Insurance Company.

On May 24 Manager Frank Lock, of the Atlas Assurance Company, delivered an important address on the fire waste before the Virginia Fire Underwriters' Association at Richmond, Va.

Through the action of petty politicians in this city, it is feared that the new building code mapped out for the Metropolis and which it was hoped would be imitated in other cities may fail of adoption in its original form.

QUERIST.

NEW YORK, June 2, 1909.

SAO PAULO TRAM earnings for April were \$204,484 gross and \$129,411 net, showing gains over the corresponding month of last year of \$8,261 gross and \$3,927 net. Aggregate earnings since January 1, have been \$813,115 gross and \$530,402 net, the gains over the 1908 showing being \$39,173 gross and \$23,156 net.

APPARENTLY THE INGRAINED THRIFTNESS of the French citizen has a fashion of getting the better of the volatility which he sometimes manifests. At any rate the "universal strike" which was to support the disaffection of the postal and telegraph employees seemed to consist chiefly of Sunday picnics and the displaying of posters.