

Correspondence.

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LETTER FROM NEW YORK.

The "Rutgers" and "Peter Cooper" Fire Insurance Companies waking from a long sleep—Condition of Affairs in the Tariff Association and among the Insurance Brokers—President Armstrong of the Manhattan Fire again in a Muddle—The Thirty-ninth Annual Report of the New York Insurance Department—War at Last!—"War Risks" on Seashore Residences—Life Insurance Policyholders Amply Protected by the American Companies, and Industrial Policyholders are no exception—The Question of National Supervision of Insurance shunted until the end of the year.

To the Editor CHRONICLE:—

There is talk in Fire Insurance circles that the "Rutgers" and "Peter Cooper" Fire Insurance Companies "are about to increase their capitals to \$1,000,000 each, and \$500,000 each to their surpluses and engage in a general business of fire insurance throughout the United States, including Kansas." This astonishing announcement first appeared in a weekly insurance newspaper in this city called *Insurance*, and has since been seen in others and in the daily papers as well. These two companies have been organized and had signs out for upwards of half a century, but their awakening is matter for surprise!

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The Insurance Brokers and the New York Tariff Association are still nagging away at each other as of yore, and are no doubt just as far from any amicable understanding as ever. There is talk of the dissolution of the Tariff Association, but there has been talk of that for months past, and the old story does not cause excessive excitement when revamped. The Brokers' Association held a meeting on the 20th and several new members were taken on. An account in a city daily says:—"There was much interest felt as to the outcome of to-day's meeting of the Tariff Association and various views expressed as to the proper course for the Insurance Brokers' Association to pursue in case the Tariff Association should dissolve. No definite time of action was decided upon, although the impression prevailed that the Insurance Brokers' Association might make an effort to define Brokers and regulate their position without regard to rates or commission. The meeting adjourned, subject to the call of the President in case an emergency arises making it important for the brokers to consider questions of policy or advantage."

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The Manhattan Fire Insurance Company (lately erected upon the ruins of the "Mutual Fire," which was the creation of Mr. P. B. Armstrong), has entered upon the troubled course which seems to follow Mr. A., wherever he goes, more especially in the realm of fire insurance. He was fighting all the time in the Mutual, was put out entirely, and then put himself back again. Subsequently, he got out of it by his own act, selling all his fire insurance interests to the Lancashire Fire, agreeing to stay out of the fire insurance business for five years, which he did. Then he started for the Presidency of the Mutual again, and got it after its name had been changed to the Manhattan. A row immediately took place between himself and the vice president resulting in the latter leaving the Company. Now the board of directors of the Manhattan, of whom a majority are inimical to Mr. Armstrong, have requested him to resign the presidency, which he refuses to do; and the directors have ordered him to do nothing as president of the Company until they examine into a "managerial contract" which he claims to have. Mr. Armstrong does not appear to be treading a very pleasant path in the fire underwriting business. He has also tried the life insurance line but was evicted from the edifice he built by dint of hard work and perseverance. He is a very interesting sort of a man, is Armstrong, and he is always in trouble of some kind; but he manages somehow to come out on top!

The Superintendent of the New York Insurance Department has issued the XXXIXth annual report thereof containing statistics and general information regarding life, casualty, title, credit, mortgage, guarantee and assessment in insurance, and it is a very carefully prepared public document, of great interest to insurance men. To even sum it up within the limits of my space would be impossible. Every active underwriter will have it among his working books of course.

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We are at it at last! War has begun, we have captured two Spanish merchant ships and our fleets have started out shouting the battle cry of "Remember the Maine." I guess they will. Every sort of business hereabouts is in some way mixed up with the war question, and we shall soon look for the tramp, tramp, tramp of the forces. The average American citizen is worked up to a high pitch and I am getting to be a little enthusiastic myself in behalf of the land I live in. As you know, there are fine stretches of sea and inland shore hereabout and splendid family edifices line the northern and southern shores of Long Island, the Atlantic sweeps the eastern shores of New Jersey, while Southern Connecticut, Massachusetts and Rhode Island look out upon the Sound and the sea, and from the waters they line may be seen costly residences owned by men of wealth who use them for summer homes. The owners of these fine dwellings have been greatly interested lately in finding out how they stand in regard to indemnity under their fire policies in case of bombardment by the enemy with whom the country is now engaged. The Westchester Fire Insurance Company of this city began the issue of what is called "war risk" policies, but it has held up for a while as the matter of its right to do this is now under consideration by the New York State Insurance Department, and until it renders a decision the Westchester will issue no more such contracts. A conclusion regarding the subject is nearer at hand over in Massachusetts, for there are places that beat New York City, sometimes. The Attorney General of Massachusetts, at the request of the Insurance Commissioner of the State, has investigated the matter of war risks and rendered an opinion thereon, which will probably be a forerunner of the New York one, and other States that may be interested.

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The Attorney-General says that insurance companies authorized to do business in Massachusetts are prohibited from making contracts of insurance against loss of property by acts of the public enemy. The Massachusetts standard policy is the authorized form of contract for insurance against loss by fire. It specifically excepts loss by fire originating from "invasion, foreign enemies, civil commotion, riots, or any military or usurped power whatever." Clause 7 of said section, however, authorizes a company to attach a rider to the standard policy, containing provision "adding to or modifying those contained in the standard form." By such a rider an insurance company may waive the exception against loss by fire resulting from foreign enemies. But even then the policy would not cover loss or damage by bombardments or other act of the public enemy unless fire ensued, and then only such part of the loss as would be due to the fire. The commissioner has written the Governor of Massachusetts to the effect that he deems it proper in view of the demands for this kind of indemnity, that the fire insurance companies should be authorized to grant it, and the authority will no doubt be given. And such will, undoubtedly, be the "conclusion of the whole matter" in other sections.

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While upon the question of the relations of war to fire insurance it seems not inappropriate to allude to the fact that the life insurance organizations are touched by the preparations for conflict. Men who have been carrying life insurance policies have also become interested in finding out how their beneficiaries will fare in case they become soldiers and die with their faces to the foe. The life insurance companies of the United States, it is quite safe to say, will not "go back" on their policyholders who enlist in the services of their country. Several companies have already made special manifestos on this subject, plainly stating their intentions to stand by their policyholders who are patriotic enough to take up arms for the protection of what the Americans proudly call "Old Glory." Among the war manifestos recently put forth is that from the Metropolitan Life Insurance