



The Quill

*A periodic Newsletter for Distribution to the
Members of the Three Rooms Club*

Spring 2019

www.3roomsclub.london

Need to Contact the Club?

Our mailing address is: The Three Rooms Club, Room 805, Lloyd's, 1 Lime Street, London EC3M 7HA

Email: Tim Willens

secretary@3roomsclub.london

There are committee mobile contact numbers on page 5 of the Quill

From the Editor

In this edition of the Quill.....

Membership Matters

From the archives

Thomas E Sears Inc.

The Story of the Lutine

A Letter from a Member

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Dates for your diary

Keeping in Contact

Our website aims to keep members up to date with club news. However, we have very few member email addresses, if you have an email address please do let Tim Willens know your details. Email to secretary@3roomsclub.london

Articles and Pictures for Future Editions

We are in need of stories and pictures from the past please do send any content for the Quill to:

martinbrob@gmail.com

Membership Matters

Our delivery of the Autumn 2018 Quill was returned "Unknown at address" for the following members, if anybody is aware of their new postal address please contact our membership secretary.

paulgcoombes@msn.com

BANKS, T.J. – Member No.00543
BARSLEY, K.C. – Member No. 00096
BONDS, M.J. – Member No. 1388
BRUCE, M.F. – Member No. 962
BUTCHER, J.N.E. – Member No. 00100
CHASE, J.M.P. – Member No. 1599
HOLLAND, A.W. – Member No. 00244
IGGLESDEN, M. – Member No. 00832
KING, D.G. – Member No. 01031
LOBEK, J.P. – Member No. 1667
MARSH, B. – Member No. 1723
MYERS, W. – Member No. 1524
NASTRI, P.A. – Member No. 1586
PALMER, M. – Member No. 1752
PIERI, E. – Member No. 00751
REGNIER, R.A. – Member No. 00722
SHARP, A. – Member No. 1730
SHEPPARD, G. – Member No. 1732

STETZEL, K. – Member No. 1319
WAGHORN, B.P. – Member No. 00848

New Members:

Trevor Alan CLEGG (ANNUAL Member)
Mervin Leonard ALLINSON (LIFE Member)
Simon Patrick CUNNINGHAM (LIFE Member)
Lionel KREEGER (ANNUAL Member)

We regret to advise of the following deaths:

Mr. Nigel BOTTING - Life Member No.01074 (September 19th, 2018)
Mr. A.F. EHRHART – Life Member No. 00085 (January 1st, 2018)
Mr. C.R. HILL – Life Member No. 00226 (December 25th, 2018)
Mr. J.A. PARSONS – Life Member No. 00824 (November 11th, 2018)
Mr. J.W. PRYKE – Life Member No. 00208 (August 4th, 2018)
Mr. P.G. STILWELL – Life Member No. 01039 (Before Christmas, 2018)

Sir David Rowland, former Chairman, Lloyd's
From Bruce Carnegie-Brown
18 February 2019

It is with great sadness that I am writing to inform you of the passing of our former Chairman, Sir David Rowland.

Sir David was Chairman of Lloyd's between 1993 and 1997 and, as many of you will remember, he played a critical role in safeguarding the future of the Lloyd's market through perhaps its most difficult period.

Under his stewardship, Lloyd's was able to confront and address the losses it was facing and put in place many of the necessary structural changes that still underpin the market, ensuring it remained on a firm footing.

The challenges facing Lloyd's and the wider insurance market during the 1980s and 1990s are now well known. Asbestos, Pollution and Health Hazard (APH) losses mainly originating from the USA were continuing to grow. In addition, the late 1980s and early 1990s saw an exceptional run of major catastrophe losses, including Piper Alpha, the Exxon Valdez Oil spill, the San Francisco earthquake plus several major hurricane and other loss events. Together with the emergence of the London Market excess-of-loss spiral (LMX), Lloyd's found itself faced with unprecedented challenges.

Against this background, Sir David played a critical role in ensuring Lloyd's not only addressed its immediate challenges but, just as critically, made the changes necessary to ensure it remained the world's leading specialist market.

It was the Task Force, first of all, which Sir David chaired prior to becoming Chairman of Lloyd's, which put forward a series of critical reforms aimed at improving Lloyd's competitiveness. This seminal report recommended, amongst other proposals, changes to Lloyd's corporate governance, the introduction of corporate capital and changes to Lloyd's capital structure, making it easier to invest while reducing costs.

As Chairman from 1993, Sir David led the process that became known as Reconstruction & Renewal. It was R&R that provided Names with the finality they needed through a single settlement offer in respect of their outstanding liabilities. This in due course allowed for the

settlement of much of the litigation that had started and which was placing a strain on the operation of the market. As part of R&R, Sir David was also instrumental in the establishment of Equitas, a new insurer set up to reinsure the market's 1992 and prior liabilities, bringing finality to a difficult period in the market's history.

As recommended by the Task Force, it was also Sir David who oversaw in 1994 the admittance of corporate capital to Lloyd's, introducing a new era of underwriting for Lloyd's which saw other professional insurers bring their business into the Lloyd's market.

Sir David remained as Chairman of Lloyd's until 1997, continuing to pioneer the changes that made sure Lloyd's remained the world's largest and most innovative insurance market. The market clearly had confidence in Sir David's vision and from 1990 to 1995 the overall assets at Lloyd's increased from £17.9bn to £27.3bn.

Sir David was awarded a Gold Medal for Services to Lloyd's in 1996. The medal has been awarded just 17 times since it was first struck in 1919.

It is certain that those of us who continue to take pride in what Lloyd's has achieved owe much to Sir David. It is no exaggeration to say that it is only because of the efforts of Sir David and his team that Lloyd's has continued not only to survive but to thrive.

We would like to express our sympathy and send our condolences to Sir David's family. We would also like to acknowledge the debt of gratitude that we at the Corporation and as a Market owe to him.

Officers and Committee

With immediate effect Martin Robinson has taken on the Deputy Chairmanship of the club and Tim Willens has become the Club Secretary.

Bruce Carnegie-Brown

Don H Coombe

Brian Wilkin

Martin Robinson

Vernon Ashford

Tim Willens

Paul Coombes

Bob Hunt ~ Mobile: 07976805535

John Bristow

Peter Cave ~ Mobile: 07563544581

David Weekes

Cliff Hutchinson

Danny Wild ~ Mobile: 07946330946

Peter Wright

Editor of the "Quill" Martin Robinson

President

Hon. Life President ~ Mobile: 07980009758

Chairman ~ Mobile: 07775734197

Deputy Chairman ~ Mobile: 07717487953

Treasurer

Secretary ~ Mobile: 07724856752

Membership Secretary & Web Master

FROM THE ARCHIVES

THOMAS E. SEARS, INC.
INSURANCE
10 HIGH STREET
BOSTON

January 22, 1920.

Confidential file

Messrs. Price, Forbes & Company,
3 Lothbury,
London, England.

Gentlemen:

I understand from Mr. David S. Thornton in Montreal that when in London last fall he very kindly recommended our office to your firm as a source of possible Canadian and United States business.

The writer has been obliged to be away from the office almost continuously since Mr. Thornton returned from England in October and only yesterday had I the pleasure of renewing acquaintance with him in Montreal, at which time he brought up the subject of possible relations between your office and our own.

I was formerly a partner in the firm of Ives, Baird & Sears whose London connection was Messrs. Morice, Tozer & Beck, but on July first I severed connections and am now operating under the above title.

Our marine business has been principally crude rubber shipments as well as exports of manufactured rubber goods and also specie shipments to and from certain banks here. We also have a certain amount of hulls.

Our fire business on which we have had recourse to London in the past has consisted of floaters covering stocks of merchandise throughout the United States and Canada, as well as specific lines on lumber and also blanket insurance on woodworking and paper manufacturing plants with varying degrees of protection, from those having the highest order of protection and carrying the lowest insurance rates, to woodworking risks of lesser protection and carrying consequent higher rates.

If you care to establish relations with us, we would respectfully refer you to the First National Bank of Boston, the Braintree National Bank of Braintree, Massachusetts and the Equitable Trust Company of New York. Assuming that such relations are agreeable, if you would be good enough to let us know the cable code you prefer, we will govern ourselves accordingly.

RECEIVED
JAN 23 1920

Ordinarily, however, we use no code. Our cable address registered in Boston with the Western Union and the Commercial Cable Company is "THOMSEARS".

Awaiting, therefore, your further advice, we are

Yours very truly,

Thomas E. Sears
President.

THE STORY OF THE LUTINE

THE STORY OF THE "LUTINE".

"LA LUTINE" was launched in France for the French Navy in 1785 and later captured by the British at Toulon in 1793, re-equipped as a 32-gun frigate and commissioned in the British Fleet as "LUTINE".

In October, 1799, an application was made by merchants to Lord Duncan, Admiral Commanding in the North Sea, for a King's ship to carry money and bullion to Hamburg "because there was no packet for that purpose." The total amount is unknown, but has been variously valued at from £140,000 to £1,400,000, and this was placed on board the Lutine. Most of this valuable cargo was insured at Lloyd's.

On the 9th October, 1799, the Lutine sailed from Yarmouth Roads for Hamburg, and during the night of 9/10th October, 1799, was wrecked between the islands of Vlieland and Terschelling off the north coast of Holland with the loss of all on board.

Since that date efforts have been made from time to time to recover the treasure supposedly on board, and gold and silver bars and coins have been salvaged by various ingenious means. Just prior to the war the dredger "Karimata" recovered one gold bar, a few coins and some cannon balls and pieces of timber. Additionally a portion of the Log slate, a hammer, the stock of a pistol, three guns, some grape shot, a rusted watch, a rusted penknife, a portion of a clay pipe and the vessel's rudder were recovered. The latter has been made into a table and a chair which stand in the Writing Room at Lloyd's and are used by the Chairman when addressing Members.

The bell was recovered during the course of one of the more successful salvage attempts in 1859. It hangs on the Rostrum in the Underwriting Room at Lloyd's and is rung to call the attention of Members when an important announcement is to be made, when one stroke means that bad news is to follow and two strokes good news. In the old days this was normally news of an overdue vessel, but in these days of improved navigational aids overdue vessels are few, although on February 21, 1961, and on March 19, 1964 the bell was rung twice to report the safe arrival of overdues.

The bell is also rung on important social occasions such as when Her Majesty the Queen came to Lloyd's in November 1952 to lay the Foundation Stone of the New Building, and when the building was opened by Her Majesty Queen Elizabeth the Queen Mother on November 14th, 1957. At each visit the bell was rung twice.

The bell weighs 106lbs and is 17½ inches in diameter.

A LETTER FROM A MEMBER

A Letter To My Son

FROM A MEMBER OF LLOYD'S

27th Jan., 1952.

My dear boy,

Here is a copy of King-Page's delightful article, "Christmas Fifty Years Ago," which appeared in the December issue of LLOYD'S LOG and which set me thinking about what your sister calls "the olden times"—almost as though I and my contemporaries lived in the Dark Ages. Actually the first leaves of my Lloyd's Scrapbook are only 33 years old but this is just long enough ago to "bring the light of other days around me."

You may like to know more about those days even though *tempus neutratu' vas et in illis mutatur*. This will be Greek to you, alas, and a gloriously free translation for the young people of to-day and everyday would be "The Golden Age lies before us, not behind us."

Like King-Page, I do not over-land "the good old days"; we had good times and bad times like every generation, the good (as he tells), being literally more of our own making—and much of the bad, too, no doubt, though we naturally felt that we were more the effect than the cause of the latter. King-Page thinks that the essential difference between your time and mine at our corresponding ages is a difference of atmosphere impossible to define. Assuming that there is this difference and that it cannot be defined, it can perhaps be illustrated by "remembrance of things past" and at least I think you and your generation would find fun, if not fool for thought, in the stories of your predecessors, some of whom are still working in the Room and proving that youth is by no means the prerogative of the young.

What a vast store of riches these "Father Williams" could set down for our delight, the one store of wealth which, unfortunately, you *own* take with you. Perhaps one only starts writing when one gives up underwriting, as instanced by the delicious tales Sir Percy MacKinnon has recently had to tell in LLOYD'S LOG, with many more to follow, let us hope. How I would love to know a little of the human

side of men like John Julius Angerstein in the Napoleonic Wars and your great-great-great uncle in the 1820's, and in more recent times, Sir Henry Hozier, the last-but-one Secretary of Lloyd's—whose daughter has "lived happily ever afterwards" as the wife of the only living honorary Member of Lloyd's—The Rt. Hon. Winston Spencer Churchill, O.M., C.B., M.P.

Would they confirm a theory very dear to me, that in a place where tradition runs as strongly as at Lloyd's, the past only mirrors the present so that your generation is itself reflected in the mirror of my generation?

For example, are there underwriters to-day who strike fear into your young hearts as men like A. C. Brown and Sidney Boulton struck fear into ours? And are there brave young spirits among the brokers like poor Goulder of Glanvill's who died so prematurely at the hands of the Nazis while flying to Sweden in a civil aircraft in the war? Some of us will remember him as an Everest of a man and stout-hearted withal, as is shown in this true story. Boulton had declined a risk to Goulder about three times or more in his inimitable manner. Goulder (who was in his twenties), goaded because it was a good risk even if the market was full, picked up the slip from the floor, sat himself down opposite and said, "Look here, Mr. Boulton, I don't want any more damned nonsense from you; pick up your pen and write £5,000 and be quick about it." And Boulton, because he was a great man, complied.

And do your contemporaries still find the same exquisite courtesy that we received as "new boys" at the hands of the "old boys" like Cutburt Heath and E. W. Marten? If King-Page is right about the difference in atmosphere to-day, it lies, perhaps, in things of that kind. In those days it was rather like one big family without the blood relationship. Indeed it's strange that, in a community as steeped in tradition as Lloyd's there should be so

little consanguinity. Son sitting with father is quite a rare event, but how delightful a thing it is to see, as in our present instance in the Marine Market. Perhaps the explanation is that, while we are lovers of tradition, we believe that "Young blood must have its course, link and every dog his day."

I am at least certain about one thing, namely that the tradition established by Mr. T. Devereux for what we so inadequately call the Committee Staff, is stronger than ever under his successors and plays an immeasurable part in the greatness of Lloyd's. I would like to know the secret of the success of our G.S.O.'s which has been so consistently achieved without the *size quo non* in other places of Honours Degrees, professional qualifications, etc. Perhaps it may be found in part in Dr. Cyril Norwood's definition of a gentleman as "one who accepts his position and strives to fulfil all his responsibilities."

Well, as this letter shows, my generation is more long-winded than yours, but I think we used letter-writing as the least embarrassing way of conveying our feelings. Look, for example, at the wonderful letter from Charles Wright, who was my first and greatest Chief written to his son on the occasion of the latter's 21st birthday, about 1901.

Grand Hotel Continental,
Milan.

My dear Lawrence,

Some male persons become men before they are 21, some after, some never. I rather hope you belong to the first category, I feel sure you are not in the last. But in the eye of the law (which is not always a *has*) there is a great difference between the male of 20 and 361 days and him of 21 and 363 days. After the 27th April the law will hold you to your contracts—*before* the law might hold me to them.

Perhaps I ought to give you some counsel on this great occasion—but if a father has not set before his son a reasonably good example, words are useless whilst if he has done so words are superfluous. Thus it is that children sit in judgment on their parents and their

verdict is of terrible import. Looking back on the 21 years of *my* life which is coincident with the 21 years of yours, I find much to regret, much to be thankful for, very little to be proud of. The only *real* satisfaction I find in memory is the love of wife and you two boys, and the feeling that I have not been entirely useless to others. I believe that the self-centred life is the real hell.

What will you do with your future? Give a few hours of thought to the serious things of life at this juncture. You and Harold have our happiness in your keeping as well as your own. Let me ask one favour—if you do wrong or get into any trouble, consult

Your loving
Father

And I shall end this letter to you with my love and with his final words in "A History of Lloyd's" which seem to me particularly apposite at a time when our thoughts are turning to a new Lloyd's building. He wrote:—

"The vital question for the Lloyd's of the future is the character of its Members and no magnificence in its building will atone even in a small degree for deterioration in moral calibre or in business efficiency."

LLOYD'S BENEVOLENT FUND

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The Lloyd's Benevolent Fund was instituted in 1829 for the "relief of members of Lloyd's (or their families) who may be reduced to distress by unavoidable misfortune and who by their uniform good conduct and respectable character shall be deemed worthy of such relief."

In the wake of the Napoleonic Wars, Britain together with the rest of Europe went through a period of considerable economic depression. This was reflected as far as Lloyd's was concerned by a very serious decline in the amount of business being transacted. This reached such proportions by 1828 that complaints were heard of "distressed Proprietors daily begging on the stairs of the House."

It was with the avowed intention of relieving as much of this hardship as possible that the fund was set up. At a meeting of the Committee held on Wednesday, April 1, 1829, a Committee of Treasury was formed, and it was resolved that all donations, subscriptions and other funds should be paid into the Bank of England in their names. It was also resolved that "a Clerk or Secretary be appointed with a salary of £20 per annum" - not an enormous amount, even by the standards of the day, but there was (at least in theory) plenty of provision for augmenting it. Upon production of security to the Value of £250, he was allowed a commission of 15 per cent on all donations and life subscriptions collected, in return for taking the responsibility of paying all the said monies into the bank.

Following this meeting the Secretary was instructed to prepare and distribute 1,300 copies of the rules and regulations of the fund, together with a letter requesting donations and annual subscriptions of £2.

But, timely though the setting up of the fund undoubtedly was, the idea was rather slow to catch on. Inevitably, with the exception of those few far-sighted individuals who supported the scheme from the very beginning, only those who were actually in need of help recognised the desirability of such a fund.

At the first general meeting of subscribers held in 1831, the Chairman was obliged to report that income from annual subscriptions amounted to a mere £48, and that from funded property to just £55.10s. After deductions to cover various administrative and incidental costs, there remained for distribution to the needy of Lloyd's the grand total of £70.

The Chairman and Committee were under no illusions. "The present applications, if granted", warned their report, "will very nearly absorb the remainder of the disposable Fund." But there were no doubts in their minds that the fund would ultimately prove to be a success, once the initial apathy had been overcome. "Deeply as your Committee regrets this they confidently look forward to the affairs of this Institution assuming a more prosperous appearance as its beneficial and benevolent objects become more generally known, and consequently more duly appreciated"

....continued,.....

Their faith has, of course, been fully justified. From these small beginnings the fund has thrived, becoming a registered charity in 1961. At the present time there are 103 beneficiaries receiving regular assistance.

In fact the fund today differs surprisingly little from the original concept of the founders - surprising, that is, for anyone unfamiliar with the continuity which is such a feature of Lloyd's.

The most significant change relates to the rule governing entitlement. Originally, only members of at least 10 years' standing at Lloyd's and their families, were considered but this rule now includes virtually anyone connected with Lloyd's, but not gainfully employed, who may be suffering from financial hardship. Of course, the setting up of the fund was perhaps not entirely without ulterior motives. After all, the very same depression which so seriously affected Lloyd's trade and transformed prosperous members into virtual beggars also had an adverse effect on the number of businessmen wishing to become members of Lloyd's. Between 1815 and 1830 there was a serious decline in the membership as natural wastage took its toll.

Thus one cannot help suspecting that quite apart from its genuinely philanthropic role, the existence of the fund was intended as an added incentive to prospective members - appearing to soften somewhat the harsh consequences of unlimited liability.

Of course, it is very possible that thoughts of this sort may have crossed the minds of the founders of the fund - they were businessmen after all, but any doubts as to the real motives behind the setting up of the fund and its subsequent management, up to and including the present day, are immediately dispelled by reference yet again to that report which James Barnes, Chairman, presented to the first general meeting of subscribers way back in 1831.

"With undiminished confidence, your Committee anticipate the support of the Subscribers to Lloyd's to enable them to extend their assistance to those worthy and unfortunate persons ... who in their days of prosperity, as Members of Lloyd's contributed to charitable Institutions which were ever fostered within these walls."

Today many City Institutions have their own benevolent funds with the sole purpose of assisting former employees and their dependants who suffer financial hardship. This supports the theory that despite the ever increasing State Benefits and better occupational pension schemes the need for a charity such as the Benevolent Fund is not outdated. Everyone has the right to welfare benefit and although society endeavours to fulfil this obligation to see that no-one suffers, many still do.

Lloyd's Benevolent Fund not only gives financial assistance but practical help and encouragement to those unable to cope with everyday problems. It is with this in mind that the Chairman, Mr. T. B. Langton, speaking at the recently held A.G.M. appealed to the Lloyd's Market to bring to the attention of the Secretary or any Committee Member cases of hardship of which they become aware.

The Benevolent Fund is supported by the subscriptions of Underwriting Members of Lloyd's.

**Requests for the assistance of the Lloyd's Benevolent Fund should
be addressed to:**

Allan Bushnell Secretary Lloyd's Benevolent Fund

lloydsbenevolentfund@lloyds.com

Dates For Your Diary

Three Rooms "Club Get Togethers"

Thursday 16th May, 2019

Thursday 14th November, 2019