

**THE
LIBERTY CORPORATION
ARCHIVES
MSS 160**

**Register
of the
SOUTHEASTERN LIFE INSURANCE COMPANY
RECORDS
1905-1983, bulk 1910-1942**

**Record Group 2
20.8 cubic feet**

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Mss 160, Record Group 2, 20.8 cubic feet, including 26 volumes, 99 oversize volumes, an oversize charter, and an oversize photograph and negative.

INTRODUCTION

This record group documents the history of the Southeastern Life Insurance Company and, to a large extent its successor, Liberty Life Insurance Company. These records chart the rise of Southeastern from a single office in Spartanburg, South Carolina, to the establishment of headquarters in Greenville with offices throughout the state and the Southeast. These records also mention the creation of The Liberty Life Insurance Company, its subsequent merger with Southeastern, and Liberty's assumption of Southeastern's charter and redesignation as Liberty Life Insurance Company. This register was created in 1998 by Alan Burns and revised by James Cross in 2001. This material came from Accessions 82-12, 82-59, 82-74, 83-18, and 94-34.

CORPORATE HISTORY

Southeastern Life Insurance Company was chartered November 3, 1905 with offices at 47 Morgan Street, Spartanburg, South Carolina. At the first Stockholder's meeting L.E. Carrington, J.B. Cleveland, Elliott Estes, Sr., W.S. Montgomery, J.A. Law, S.J. Simpson, Aug W. Smith, A.H. Twichell, A.L. White, and Giles W. Wilson were elected to the Board of Directors. Elliott Estes was elected company President and Giles W. Wilson Secretary/Treasurer. Their salaries were \$4,000 and \$2,000 respectively. The first policy was issued to John Adger Law, for \$5,000, on December 15. By year's end, 1906, insurance in force was \$1,268,175. The first death claim, for \$10,000, was received in October, 1907.

The company operated quite successfully through the next decade including World War I by means of a dynamic sales force and wise financial management despite distracting changes in leadership and losses from death claims due to influenza rather than from war casualties. In 1910, the decision was made to move the company's headquarters to Greenville, SC. There, construction of The Southeastern Building, at the corner of Main and Broad Streets, began in 1914 and was completed in 1915. In 1919, a former Southeastern agent by the name of W. Frank Hipp established The Liberty Life Insurance Company. Southeastern and Liberty, each to have a dramatic effect on the other in later years, were thus in competition for the same business from the citizens of Greenville.

A majority of Southeastern stock was purchased by a Louisville, KY company in 1929, and guaranteed by a Nashville, TN company which later failed. Control of Southeastern was subsequently purchased by the Southeastern Corporation of Greenville in 1930. By 1931, Southeastern entered into a repurchase agreement with Liberty Life because of rising loans and bonds. Again, leadership changes came about as a result of certain financial situations, and W. Frank Hipp, already President of Liberty Life, was elected President of Southeastern. The two companies remained separate, but with single leadership, for yet another ten years until 1941.

On October 30, 1941, at a Board of Directors meeting, the idea of consolidating Southeastern and Liberty was presented by President Hipp and referred to the Executive

Committee for study. At the November 7th Executive Committee meeting it was proposed that “the Southeastern and Liberty Life Companies enter into an agreement to reinsure the Ordinary and Industrial business of The Liberty Life Insurance Company.” Included was a motion to change the corporate name of Southeastern Life Insurance Company to Liberty Life Insurance Company. On November 11, the report of the Executive Committee was approved. On the 25th, the Reinsurance Agreement by and between Southeastern and Liberty was read and approved, and it was resolved that the charter be amended by changing the corporate name to Liberty Life Insurance Company. A suggestion that the Independence Insurance Company amend its charter to change the name of the corporation to Southeastern, after January 1, 1941, was also approved. On December 11, the Finance Committee authorized purchase of the Liberty Life Building, opposite the Greenville County Court House, from Independence for \$250,000. At a special meeting of Southeastern Stockholders, December 30, the following was adopted: “Be it resolved that the charter of this corporation be amended by changing the corporate name to Liberty Life Insurance Company.” On January 1, 1942, the history of Southeastern Life Insurance Company and The Liberty Life Insurance Company became the prologue to the history of Liberty Life Insurance Company, Greenville, South Carolina.

Southeastern Life Insurance Company remained viable, if semi-impotent, until 1968 when dissolution procedures were initiated, and was finally dissolved in 1971.

SCOPE AND CONTENT

The Southeastern Life Insurance Company Records span the time period of 1905 to 1983. The bulk of the material dates from 1910 to 1942. There are 153 folders of material in seven document boxes, 26 volumes in three record center boxes and one ½ document box, 99 oversize volumes (88 volumes are in 10 oversize boxes), and an oversize charter. They consist of by-laws, a charter, correspondence, contracts, employee and training manuals, memos, personal papers, policy specimens, rate books, reinsurance agreements, reports, tax returns and other tax information, and other material; and oversize material in the form of agent/agency registers, annual statements, cash books, journals, ledgers, a photograph with negative, policy registers, trial balance books, and stock certificates. Included in this record group are such documents as Agent Contracts, Dissolution papers, Group Insurance, Liberty Life Merger papers, Policies and policy samples, Reconstruction Finance Corporation papers, Repurchase Agreements, various State Insurance Department papers, and State Tax Returns. These records are a valuable source of information for charting the development and related history of the insurance industry in twentieth-century South Carolina.

Reinsurance Agreements account for a majority of the non-volume records in this record group. They document Southeastern’s management strategies through agreements entered into and contracts made with various reinsurance companies to spread the risk of potential insurance loss. Southeastern contracted or made agreements with twenty-six separate companies for reinsurance, doing so several times with many. These records document Southeastern’s reinsurance activities from 1907 to 1936. They also include documentation on the amount of reinsurance paid from 1925 to 1950. By definition, reinsurance is “the transaction whereby the insurer, for a consideration, agrees to indemnify the ceding company (the reinsured) against all or part of the loss which the latter may sustain under the policy or policies which it has issued.” In other words, reinsurance is a form of insurance that insurance companies purchase from other

insurance companies and is done to reduce the possible maximum loss on either an individual risk or a group of risks.

The bulk of the collection, however, is made up of financial volumes of various types (Annual Statements, Cash Books, Journals, Disbursement Ledgers, Stock Certificate Books, and Trial Balance Books), with most of the volumes dating between 1906 and 1950. These volumes document the company's financial transactions, often on a monthly basis. They are important for understanding Southeastern's growth and development, especially for the period between its founding in 1905 to its consolidation with the Liberty Life Insurance Company in 1941.

Other records vital for a better understanding of Southeastern's business activities over the years, both in-house and out, are represented by Contracts with general agents, including W. Frank Hipp, 1905-1934; Southeast and South Carolina State Tax Returns, 1927-1936; intercession of the Reconstruction Finance Corporation during the Depression years, 1932-1933; and Insurance Department conditions for Alabama, Georgia, Mississippi, Tennessee, and West Virginia, 1925-1964.

Important records documenting the company's insurance products are embodied in the pioneering issuance of Group Insurance for workers of the Alice, Easley, and Franklin Mills, 1916; Policies issued covering the lives of private individuals as well as early presidents of Southeastern Life, 1912-1925; and samples of specimen policies for the same dates. Also included is a facsimile of the first policy the company issued to John Adger Law on December 15, 1905 for \$5,000.

Records particular to Southeastern and its special, inseparable connection with Liberty Life Insurance Company are the Repurchase Agreements of 1931-1935; the Merger of 1941; and Southeastern's Dissolution, 1968-1971.

Included with this record group are two letters whose content are not especially important but are quite unique as objects because they were typed on cloth stationary. The letters were typed on cloth for two reasons, according to captions at the bottom of each: to celebrate Southeastern's Silver Anniversary, 1905-1930, and interestingly enough, to help the textile situation during the Depression.

Other major correspondents with these records include the Alice, Easley, and Franklin Cotton Mills; Atlantic, Florida, Home Fund, International, Inter-Southern, Jefferson Standard, Kentucky Home, Liberty, Lincoln National, Metropolitan, Missouri State, Pittsburgh, and Southwestern Life Insurance Companies; the Cologne and Mercury Reinsurance, and North American Reassurance Companies; the Southern Surety Company; and such individuals as Charles W. Estes, C.B. Flesher, Walter F. Going, W. Frank Hipp, William E. Holbrook, Joseph C. Long, M.H. Mullins, L.M. Rice, and W.G. Southern.

The oversize items include 99 financial volumes, a 1983 copy of Southeastern's charter (the original is filed in the South Carolina Department of Archives and History), and a photograph of the Southeastern Life Building, which was located at South Main at Broad Street in Greenville, South Carolina, with a negative of the same.

Related material can be found in the following record groups: RG1 Francis M. Hipp Papers, RG3.1 Liberty Life Insurance Company Legal Department Records, RG3.2 Liberty Life Insurance Company Pre-Corporation Records, RG5 Boyd Calhoun Hipp Papers, RG6 Herman N. Hipp Papers, RG8.3 Communications Department Publications, and RG11.1 The Liberty Corporation Historical Research Material.

A complete container list follows.