

At the same time, in adopting this as the principal method of exchange, the management in arranging the details drew from abroad practical business experience and special knowledge of life insurance. It avoided increases of liens by requiring collection of interest in advance, as on the ordinary life insurance loan. It avoided inequality in periodical payments by collecting interest with premium instalments, so that the insurance is never exposed to the hazard of lapse which always arises in the face of a required payment greater than preceding or succeeding periodical payments.

The result of these and other practical features adopted in the exchange of policies has been an almost entire absence of lapse among the membership that has accepted the new contracts.

The permanence of extensive undertakings is not always measured accurately by the rapidity of their accomplishment. President Burnham has had a vast institution to handle. During the little more than five years of this management, the association had collected \$29,994,827 and has paid to members \$21,434,876. During the preceding fourteen and a half years of its existence, it has collected \$32,535,790, and paid to members \$22,400,619. The yearly basis of collections in the last five and a half years was \$5,453,605 in the preceding term, \$2,243,847; and that of payments to policyholders \$3,897,250 and \$1,544,870, respectively.

But wise management, honest economy and strict business principles applied in the conduct of the business tell in the end, and their result we read in the present position of the Mutual Reserve. The recent accession of business from the Northwestern Life—taken as it is upon a basis that amply protects the membership of each company—speaks louder and with than could a thousand quibbles or the carpings of a hundred critics.

When Mr. Mabie found that the response of his members to his intelligent and honest work for their protection was not, on the part of a minority, such as to enable him to secure full equity and justice to those who had stood by him valiantly in the work he was doing, the Mutual Reserve presented itself as the natural and proper protector of the entire business. The confidence felt in the institution and its management, both as to ability to protect and its purpose to deal fairly, is proved by the ease and swiftness with which this, the greatest transaction of the kind, has been accomplished. The mass of individual members gathered at the Chicago meeting may be accepted as typical of the entire membership. To that meeting was read the full contract; its items were stated in answer to numerous questions plainly and without equivocation; it was clearly stated that not a dollar of insurance would be accepted save on the full rate and with full reserve, and the adverse vote was one and only one. Seldom has confidence that a retiring management was doing its best, and that that best was the best, been more clearly expressed.

President Mabie of the Northwestern Life joins forces with the Mutual Reserve under President Burnham, as with a company large enough and strong enough to engage his unquestioned force, knowledge and ability, and managed by men in whom he has full confidence and with whom he can heartily co-operate, President Burnham will have no more loyal supporter than his new lieutenant. His knowledge of life insurance in all its departments is broad enough to make him a competent judge of the work which President Burnham has done, of the perplexing character of the problems he has had to deal with, of the completeness of his success. He knows that the Mutual Reserve has taken the business of the Northwestern Life on safe conditions, equitable and just to the members of both companies. No one who knows C. E. Mabie will believe that he comes to his new position save with thorough confidence in the future and with thorough loyalty to the management of the association.

President Burnham is the head of a company with 100,000 members; \$225,000,000 of insurance, \$16,000,000 of interest-bearing resources and an annual income of \$8,000,000. There are not half a dozen companies that can show this business. The Mutual Reserve ranks among the first, and it will be the honest ambition of President Burnham and his lieutenants to make the institution in all things worthy of its rank.